

IN THESE TIMES

FILM AND
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70 Cents

NURSES + DOCTORS

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THE INSIDE STORY

JOHN JUDIS



Chicago's Mayor Michael Bilandic.

Chicago, Chicago, that wonderful town

Some of my California friends charge IN THESE TIMES with provincialism every time we elevate a Chicago story to our national news pages.

In Chicago's defense, it remains America's second largest city, the hub of the nation's grain and livestock trade, a city whose industry still coexists with its neighborhoods, and a city unmatched for its skyscrapers as well as its deep-dish pizza. It also has a Democratic Party that is as anachronistic as it is powerful.

In most American cities, political parties are loose agglomerations of ambitious individuals and important interest groups. These individuals and groups often cannot agree on issues or primary candidates and wield little collective influence.

In Chicago, there is a close-knit relation between the Democratic Party, public officials, and the city's major interest groups—downtown banks and businesses, construction unions, minority organizations, the Mob, and the Church. Through paid party workers in each neighborhood, and a patronage army of 30,000 city workers, the party reaches out to the voters, providing votes for candidates and services to the voters.

Whatever the conflicts between the city and the major interest groups, they are usually settled behind closed doors. And whatever the complaints of city residents, they can be dealt with—for better or worse—by local party workers.

The Chicago Machine is the survivor of a bygone era in America. For the suppression of political conflict, one could compare it to an Eastern European government. For popular involvement and grassroots politics, one could compare it to the Italian or French Communist parties.

In the '70s, most city administrations have had to fear tax revolts and busing battles. Chicago has had both, but they were largely contained. What Chicago officials fear are not issues as such, but scandals. Scan-

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dals occur when the Machine's backroom deals suddenly become front-page news.

Fortunately for the Machine, scandals don't occur that often. They usually require external events over which Chicago politicians have no control, like a civil rights movement, a vengeful Republican administration in Washington or the Springfield statehouse, or a natural disaster.

Natural disaster and scandal hit Chicago with last month's record snowfall. To handle the snow, the Machine would have had to act efficiently—that is, without regard to the networks of kickbacks and payoffs and featherbedding that hold it together. When it was unable to do so, Chicago citizens got riled, the media began to ask some unpleasant questions, and the press lords began to print the answers reporters were receiving.

Expensive advice.

Two weeks ago, I recounted the surface disorders: a colossal failure to get the snow off the streets, except those streets where aldermen or precinct captains lived, plows and plowmen sitting around unoccupied, trains and buses stalled. When reporters tried to discover the city's snow-removal strategy, they uncovered Kenneth W. Sain's snow-removal plan.

Sain had been deputy mayor under Richard Daley until he resigned in September 1977. He could make more, he said, as a private consultant than the \$44,000 a year the city was paying him. In little over a year since, Sain has garnered nine city contracts worth \$242,550, granted without competitive bids. One of these was a \$90,000 contract to devise a new snow-removal plan in the wake of the city's abysmal showing in the January 1978 snowfall.

Former city officials speculated that Sain's study, which Mayor Michael Bilandic initially refused to release, was merely a rehash of a Master's thesis that Sain had done in 1973. When the mayor, under intense pressure, finally released the study, it turned out to be even less than that: a 23-page double-spaced outline that contained only one-and-a-half pages of disaster advice. This advice consisted of who should be notified and what forms should be filled out in the case of disaster.

The disclosure of Sain's snow job led to the discovery of the eight other Sain contracts, which included a \$35,000 arson study for the police department that was reportedly a restatement of a past police study. The ensuing uproar also forced Bilandic to make public other contracts his administration has awarded.

By comparing these contracts with the records of Bilandic's campaign contributions, Chicago reporters were able to probe the Machine's inner workings: millions of dollars in no-bid contracts had been awarded to large campaign contributors.

Enter the Mafia.

In late January, Bilandic tried to appease his critics by dismissing snow-removal head Emmet Garrity and replacing him with Northside garbage superintendent Peter Schivarelli. Chicago media made little fuss about Schivarelli's appointment until a Jan. 30 front page story in the *Wall Street Journal* linked Schivarelli to the Mafia.

The *Journal* article was not about snow removal, but about U.S. Attorneys' investigations of the ties between the highly successful rock band "Chicago" and the Mafia. The main tie, it seemed, was Peter Schivarelli.

Besides superintending garbage, Schivarelli was, according to the *Journal*, the manager of B.Ginnings, a suburban nightclub owned by "Chicago's" drummer Danny Seraphine. Chicago police termed Schivarelli a "close associate" of Mafia figures, who was known to meet frequently with the likes of Anthony Spilotro,

Harry "the hook" Aleman, and Joey "the clown" Lombardo. Along with two other Mob-connected figures, Schivarelli had also been charged in 1974 with assault. He was acquitted in a bench trial.

According to the *Journal's* sources, Schivarelli and Spilotro had proposed, in Las Vegas meetings with Seraphine and "Chicago's" manager, to use the band's money to set up night clubs across the country, which would "launder" Mafia money.

When the Chicago papers got onto Schivarelli, he denied managing the suburban nightclub. But it turned out that he had previously told one reporter that he co-owned the nightclub. Schivarelli was also unable to explain adequately how he could drive a \$20,000 Mercedes and live in and own a famous Gold Coast mansion on his \$39,000 a year city salary.

Bilandic described the charges against his new snow chief as "mere allegations."

On Feb. 27, Chicagoans will go to the polls to select a Democratic candidate for mayor (which is tantamount to winning the general election) and 50 city council representatives. Faced with comparable scandals, other city mayors would rightly fear for their political lives. But Chicago's snow scandal will merely put a damper on what otherwise would have been an overwhelming Machine victory.



Bilandic's Democratic opponent is former Consumer Sales Commissioner, Jane Byrne, whom Bilandic fired last year after she charged him with illegally arranging a price-hike for city cab companies. She has tried to drape herself in the mantle of the late Mayor Daley, whom she portrays as an incorruptible man of the people in contrast to the sleazy ex-corporate lawyer Bilandic.

But except for the taxi union, Byrne has no support from labor or any other Chicago interest groups. If the snow is still on the ground on election day, she will get a sizeable protest vote—as much as 35 percent, the highest that any protest vote has reached in recent history—but she has little chance of unseating Bilandic.

The other challenge to the machine comes from Chicago's "independent" movement, which was inspired in the late '60s by the civil rights and anti-war movements and which embarrassed Daley at the 1972 Democratic convention. But it has never been able to build a base beyond a few middle-class lakefront wards, and in last year's state elections several of its key legislators were defeated by Machine opponents.

Unless the business-labor-black-ethnic alliance that sustains the Machine begins to crumble, which it won't do merely over scandals, the "independents" and reformers have no chance of mounting a citywide challenge. And unless they can develop a grassroots operation to match the Machine's, the Machine will go on, scandals and all.

IN THESE TIMES

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IN THE NATION

BUDGET

Kennedy attacks health care cuts

By Jo Freeman

WASHINGTON

THE ADMINISTRATION'S budget proposal to significantly reduce funds for medical education and research was attacked by Sen. Edward Kennedy and other members of his Health Subcommittee in late January. In hearings before his committee, Kennedy told Health, Education and Welfare Secretary Joseph Califano that the proposals "go to the jugular of decent medical education in this country."

He said Carter's proposal "reduces the research budget of the National Institute of Health by 3 percent," would "eliminate capitation payments to medical, nursing and other health professions schools" and "would seriously reduce... the availability of loan and scholarship funds."

Furthermore, Kennedy claimed, "the dollars involved are relatively small. An amount equal to less than one-half of 1 percent of the Defense budget would restore these health programs to current services levels. An amount equal to one-half of 1 percent would allow for modest, but real growth."

His claims were backed up by representatives of three major health groups—the Association of American Medical Colleges, the American Nurses Association, and the Coalition for Health Funding, representing 54 organizations.

Coalition President Jay Cutler stated



that the "architects of this health budget... have many of the controllable health programs on their hit list," because the biggest health programs, such as Medicare, have their expenditures tagged to the Consumer Price Index and thus cannot be limited.

Cutler argued that "nowhere does the health budget rationale indicate that an existing controllable health program is marginal or wasteful." Instead, he stated that the Office of Management and Budget has lacked "the ability to deal with the complex causes of uncontrollable health costs," and has therefore "slashed controllable health programs."

Nursing hit worst.

The most severe cuts were for nursing education, whose federal funds were virtually eliminated. This prompted American Nursing Assn. spokeswoman Connie Holleran to state that "it is not paranoid

or unjust to contend that nursing is particularly vulnerable because it is primarily a woman's profession and has not traditionally been considered a political force of any consequence."

She pointed out that when the President pocket vetoed the Nurse Training Act of 1978, he stated that "disapproval of this bill will not cause an abrupt termination of funding of the nurse training programs, since funds are available for fiscal 1979 under the continuing resolution."

Only a few weeks ago, however, schools were informed that fiscal 1979 funds were being withheld, as were nursing research funds that had been authorized under the regular appropriations bill.

Califano's official statement before the Subcommittee did not explain the recommendation for the cuts in health training and research funds beyond pointing out that curbing inflation through reduced

spending was an administration priority. He said that every 1 percent increase due to inflation raises the costs of uncontrollable programs by \$1.4 billion, thus reducing the money available for other purposes.

But in an address last fall before the American Association of Medical Colleges, Califano argued that cutting the number of physicians does cut the cost of medical care. The consequences of increasing the number of physicians has run "directly counter to the usual workings of the law of supply and demand. Doctors... make most of the decisions that govern the health care marketplace. So the chief effect of physician oversupply is dramatically rising costs—without correspondingly dramatic improvements in health status."

Some studies have shown that rapidly rising health costs have occurred simult-

Continued on page 4.

Dellums' Health Service supporters organize

Robert Mochan & James Stark

PITTSBURGH

YOU PICK UP NEWSPAPERS from all around the country, you see Health Insurance, Sen. Kennedy, President Carter, Kennedy-Corman, never health services, never H.R. 11879, and we all know why. Because last year we spent \$162 billion in the largest industry with the fastest growing pockets in the U.S. Health is a big business and it has gone way beyond the question of a service. It never has been an effective service for all the people. It's a profit oriented business," Congressman Ronald Dellums (D-CA) said in his keynote speech at the Northeast Regional Conference for a National Health Service (NHS).

The conference, held in Pittsburgh, Pa., in late January, was the first major attempt to mobilize health care activists in support of the NHS as embodied in the "U.S. Health Services Act" sponsored by Dellums. Over 300 delegates from 32 states participated.

Walter Brown, chair of the Committee for a National Health Service, told IN THESE TIMES. "The whole approach is to involve people at the grassroots level in the problems surrounding health care around the country, to make them aware of the Dellums bill as a piece of legislation that addresses these problems, and more importantly to get them involved

in working for change."

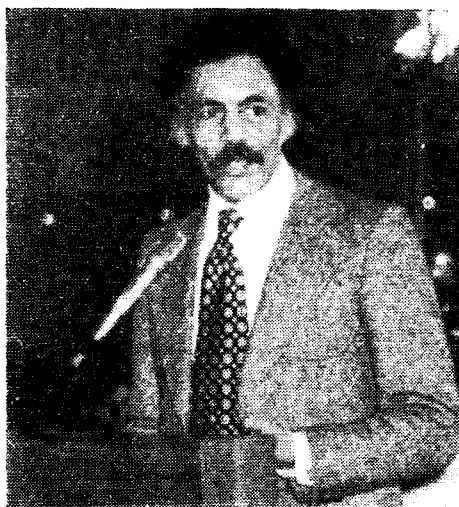
Despite the enthusiasm of the conference participants, the history and present status of the bill clearly suggests the need for such action. Its introduction into the House of Representatives in 1977 and 1978 elicited virtually no support and the act quietly expired after referral to several committees.

Dellums estimates that he can rally perhaps a dozen co-sponsors in the House this session. Introduction on the Senate side is dubious, especially since the loss of James Abourezk (D-SD), the bill's sole sponsor. Even with the current debate over health care the bill has received little attention from the media.

Those active in the conference were involved in workshops concerning the intricacies of the Dellums bill, which provides for federally-funded medical care at publicly owned facilities staffed by salaried medical personnel.

Comprehensive health care would be free to all persons at time of delivery. The system would operate on four levels. Community level services include primary, emergency and out-patient medical, dental and mental health care. District centers would provide in-patient hospitalization serving population areas of 25,000 to 50,000.

Regional facilities would be reserved for specialized care such as complex surgery. Health research and standards would be coordinated at a national level.



Rep. Ron Dellums addressing Pittsburgh conference.

Each level would be managed by a governing board with the community board to be elected by consumers and health-care workers. District boards would be appointed by community boards, regional by district and national by regional.

The entire NHS would be financed by a progressive individual income tax, an employer's health care tax and general revenues.

Sentiments ran high in opposition to the Carter administration's health insurance proposition, as well as Sen. Edward Kennedy's "Health Care for All Americans Act of 1979," a rightward revision of the Kennedy-Corman bill.

Frances Klafter, chair of both the Gray Panthers' Health Service Task Force and Health Service Action, commented that both proposals "are still giving insurance companies a major role."

"We have to let people know that they are being sold down the river. We have already been short-changed by Medicare,

and only through an NHS can the elderly get what they need for a long, healthy life."

Marvin Weinstock, vice-presidential candidate in the last United Steelworkers national election, also criticized the insurance plans noting that companies often work employees overtime rather than hiring others for whom they would have to pay expensive hospitalization insurance.

"Part of the unemployment problem," said Weinstock, "is due to the excessively expensive and inefficient health care system and the 20 percent profits of health insurance companies."

Several resolutions were overwhelmingly adopted by the delegates:

- That there be no compromise in the bill concerning reproduction rights;
- That, in light of the *Bakke* and *Weber* cases, affirmative action in the health care field be specifically addressed; and
- That opposition to the proposed federal budget and support of the Transfer Amendment be voiced to the President.

At the plenary session at the conclusion of the conference, workgroup leaders outlined strategies for promotion of the Dellums bill. Consensus was highly in favor of the grass-roots approach, seizing any opportunity possible to link the need for an NHS to local issues, targeting labor, women, elderly, medical students and middle America. On a national level, needs were expressed for congressional lobbying efforts and a central office to coordinate nationwide promotion of the bill.

"The strategy is simple," said Dellums, "over the next several months and years we are going to take this idea to the people and the people are going to win and the people are going to have it." ■

ANTI-NUCLEAR CONFERENCE

Clamshells split over tactical questions

By Robin Read

AMHERST, MASS.

THE FOURTH ANNUAL Clamshell Alliance conference at Hampshire College, South Amherst, Mass., on Jan. 26-27 failed to resolve the dispute among the ranks over the Alliance's decision last June to accept a state-utility's offer of land to hold a three-day legal demonstration rather than the planned action of civil disobedience.

The dispute led to the first serious discussion of strategy, structure, philosophy and goals within the Alliance. And though the 300 delegates adjourned late Sunday night without resolving many of the issues and calling for another congress within a couple of months, the meeting did reflect the diversity and growth of the anti-nuclear movement in New England, and the deepening commitment of the members of Clamshell's more than 50 local groups to stopping nuclear technology.

Many persons expressed the belief that the Alliance has reached a point in its development where hard political questions on its future structure and direction must be resolved. But some say the current tensions are a healthy movement of all members toward "digging in" for the long struggle ahead against nuclear technology.

During the conference, the increasingly active Clamshell Labor Committee made its presence felt by the showing of two films, the J.P. Stevens' boycott film, *Testimony*, and *Union Maids*, and a visit to a local store selling J.P. Stevens products.

The Labor Committee is organizing a campaign on the health effects of low-level radiation on the public and on workers in navy shipyards and other nuclear facilities. In its meetings, this committee adopted a resolution to endorse the Citizen Labor Energy Coalition.

Before recessing, the congress approved—among other proposals—plans for an education campaign aimed at elementary and high school students; support for the Campaign for a Nuclear Free Philippines, and encouraged local Clamshell groups to initiate and participate in a planned nation-wide program focusing on the various steps of the nuclear fuel cycle.

40 proposals considered.

More than 40 proposals were filtered and refined through a continuous process of local caucuses and working groups in an attempt to reach a consensus on



Debate at the conference centered on consensus decision-making in a growing organization.

some proposals before the final full-congress plenary session.

The bulk of the debate in the plenary centered around political and ideological questions of consensus decision-making in a large organization; the relationship between local groups and the organization as a whole and what was seen by many women as a trend toward male dominance in an organization in which women have traditionally played a strong role.

Many of the proposals that reflected the most dissatisfaction with current Clamshell direction and organization were drafted by Clams for Democracy (CFD), a caucus formed during the June 24 action by Clam members disturbed by the Alliance's decision to hold the legal rally.

The CFD group at the congress consisted of about 30 people, chiefly from Boston and the Long Island, N.Y., Red Balloon Collective. A proposal to officially include Long Island as a region of the Alliance was not supported and was withdrawn.

Three main proposals for future major Clamshell actions were introduced at the congress, but none achieved consensus. A CFD proposal for a mass occupation in June with enough people to "physically prevent construction," using tactics that would represent an escalation from past Clamshell actions, received little support.

Another proposal called for a large June rally at Seabrook followed by a civil disobedience action of persons committed to a discipline of "unconditional release" if arrested (no acceptance of bail, or release on personal recognizance, and no appeal). All regions except Boston approved this proposal. Boston felt that a full discussion of June 24 must take place before they could approve a proposal for a major action.

Legal rally rejected.

CFD members charged the plan for an unconditional release action was "elitist and exclusionary" and that a legal rally would not be productive. The proposals'

supporters countered that the CFD plan was unrealistic, would jeopardize Clamshell support in the Seabrook area, and would not at this time increase opposition to the Seabrook plant.

There was also strong support for a large civil disobedience action on Wall Street Oct. 29, 1979, the 50th anniversary of the Stock Market Crash.

The issue of property destruction within a non-violent movement was debated in the context of guidelines for the Alliance's plan for a land and sea blockade of the 427-ton Seabrook plant Reactor Pressure Vessel, scheduled to be transported by sea from near Cape Cod, Mass., to the Seabrook site, probably before June.

CFD and Boston opposed guidelines restricting affinity-group autonomy to make decisions on property destruction during the action. Others felt guidelines were needed before the action took place, with several groups saying they could not endorse or support the blockade without clear guidelines on property destruction. ■

HEALTH SERVICE

Continued from page 3.

taneously with a rapid increase in the number of health care professionals and the significant increase of "third-party payment" plans. About half of the increased costs have been due to additional services of procedures not usually provided patients 15 years ago.

More surgeons, more surgery.

In particular, the number of operations in any given area—and surgeons' fees—has risen as the number of surgeons has gone up, without clear evidence that the additional surgery was necessary.

It has been argued, therefore, that since patients do not directly pay for more services, and doctors directly benefit from providing them, the mere increase of doctors increases health care costs.

Califano told the AAMC that their own figures showed "that each physician in practice increases total expenditures—through hospital care, drugs, and other fees and services—by \$300,000 a year in current dollars over an average career of 40 years. This means that every physician

adds \$12 million (not adjusted for inflation) in health care costs to the economy."

It also means that currently each person pays an average of one-tenth of their income, indirectly through taxes and medical programs, for health care, and that 13 percent of federal spending goes to the health care industry.

From this perspective, preventing an "oversupply" of physicians is a logical way to reduce long-range health costs, though it doesn't explain why nursing education should be the most severely cut, since nurses make few medical decisions.

Even if this analysis is correct, cuts alone will not solve two other medical workers supply problems—geographic maldistribution, and increasing specialization, with decreasing "primary care" physicians.

Primary care drops.

Califano said that "in 1931, fully 94 percent of practicing physicians in the U.S. were involved full-time in primary care. By 1975 that figure had plummeted—not just to 50 percent, the percentage set as a

minimum by the AAMC—but substantially lower, down to 38 percent. This compares with 72 percent in West Germany and 60 percent in Canada."

He said that this skews the "entire health care delivery system...toward the most expensive specialty end of the spectrum," of which one major consequence is that "large numbers of patients are resorting to hospital emergency rooms for care because they do not have access to a family physician."

Another consequence is that more than 25 million people now live in "health manpower shortage areas." Moreover, "in countries which have less than one physician for every 2000 people, the percentage of private physicians in practice actually declined somewhat between 1963 and 1976. In counties with a ratio better than 1-to-300, however, the percentage of physicians increased sharply."

The administration hopes to tackle these problems by increasing or at least holding constant funding for primary care residencies and nurse practitioner training, as well as increasing the Community Health Center Program.

It also hopes to focus its student assistant programs on an expansion of the National Health Center Program.

It also hopes to focus its student assistant programs on an expansion of the Na-

tional Health Service Corps—that provides financial assistance in exchange for a commitment to work in "health manpower shortage areas" after graduation.

But AAMC president John Cooper questioned whether this was more than a bandaid approach to the consequences of the other reductions. He argued that with the loss of "capitation grants," tuition would go up 25 percent in private schools and 100 percent in public medical schools.

Furthermore, the only major source of financial assistance remaining to students would be the federally-insured loan program, that currently demands 12 percent interest. "In this program, \$146,000 must be paid back over the 15 years following residency training for \$8000 borrowed in each of the four years of medical school. Can one be surprised if half the class that requires financial support chooses to practice a high-paying specialty in an economically favorable location?"

These different contentions about the cause of rising health care costs ought to be the subject of a major national debate. But Sen. Richard S. Schweiker (R-PA), feels they will not be. Stating that the administration was playing "one big shell game" by giving the appearance of austerity, he said Califano knew that Congress will insist that the cuts be restored. ■

ORGANIZING THE SOUTH

Steel union may be winning crucial test

By David Moberg

NEWPORT NEWS, VA.

EVERY MORNING OF THE WEEK, as police stand guard, dividing striking picketers into two groups stationed on each side of the 6th Street entrance to Newport News Shipbuilding, there is a momentous stream of traffic that passes by. Depending on how many people drive in to work, the Steelworkers may force the company finally to recognize it as the duly elected and certified bargaining agent for the roughly 16,000 production and maintenance workers who build the big ships in the yard. (See *IT*, Feb. 7.)

If too many workers choose to break the strike, the Steelworkers could lose out as representative or—even if finally accepted by management—could be greatly weakened. Beyond that, many fear, industrial unionism in the South as a whole could suffer a setback.

The first crucial test came the day the strike started. The Steelworkers looked fairly solid, despite the widely disputed figures from each side that grow farther apart as time passes. More workers showed up the next day, although the flow of traffic included many supervisors, navy personnel and employees of vendors located in the yard.

The next crucial test came Monday, Feb. 5. Over the weekend, management and the union had fought for loyalties with personal phone calls and appeals over radio and television or in the newspapers.

Management had a sober, direct pitch that tapped many sources of authority. Filmed in a conservative fashion, the spot ad featured a blond actor—old enough to be a boss, young enough to be an older brother—sitting behind a desk. He was wearing a blue suit—said in fashion analysts to convey authority to the “lower middle class.” Hands folded, he cloaked the shipyard’s activity with the robes of legality and made strikebreaking seem like a democratic principle as well as an order from the boss. Here is what he said:

“The shipyard remains open despite the Steelworkers strike. Under Virginia law you have the right to work. (Virginia’s right-to-work law prohibits union security arrangements, but it does not protect—as some workers painfully discover—a right to employment. The law does constrain union picketing, however.) Additional local and state police are on duty to make sure that your rights are not violated and that you can go to work. The legality of



Above. Roosevelt Robinson and Jack Hower, principal strike organizers.
Below. Local President Wayne Crosby arrested.



Over the weekend it appeared that the union was holding fast. Monday only 30 percent of the workers went through.

last January’s election is now in the federal court and the issue will be resolved in court in March. All shipyard employees should report for work at the regular time and to their normal workplaces.”

Union ads.

The union ads, delivered on TV by an actor dressed as a steelworker, appealed to solidarity, as defended by the law: “Good news for all striking members. The picket lines were stronger than ever. In spite of the best efforts of the company to deceive,

shipyard workers are continuing to strike and are winning despite the odds.... Don’t forget this important fact: you are on an unfair labor practice strike and can’t be laid off, fired, or terminated.”

It appeared that the union won the battle over the weekend. By its account only 15 percent of all production and maintenance workers—about 2300—crossed the line. The company set the figure at 60 percent, or 9,000, up from around 55 percent at the end of last week. Independent journalistic observers figured that

about 30 percent crossed, roughly the same as on Friday and not the increase that the company claimed.

Sources close to management had figured that if the Steelworkers could keep the strikebreakers down to 3,000 they would almost certainly win. If the company could lure back 6,000 or more, it had a good chance of beating the union. And that appears to be the aim of vice-president for corporate relations, D.T. Savas, regarded as the corporate mastermind of the campaign. “His strategy is perfectly clear,” says College of William and Mary business professor William Warren, a former director of labor relations at the shipyard, “Go for broke. He was beat in the election, so now he wants to beat them in a strike.”

Union leaders blame management for a betrayal of an interim pact that could have ended the strike or even prevented it. Just before the strike and again the day after it, lawyers for both sides were reportedly close to agreement on submitting current grievances to whatever grievance procedure is eventually established.

Also, the company would have ceased all discharge and discipline until its challenge to the National Labor Relations Board certification of the Steelworkers is settled in court. (Oral arguments were still scheduled to start March 7, but efforts were being made to move it up to Feb. 20.)

The local Steelworkers bargaining committee voted down the proposal on the eve of the strike, partly because they felt the momentum for a strike had already built up and partly because the Peninsula Shipbuilders Association, the ousted company union, issued an inflammatory leaflet accusing the Steelworkers of not “having the guts to strike” and preparing to “take the coward’s way out.” Later, when the union was more willing to make a deal, management backed out without explanation.

Economy with company.

Perhaps the company has figured that the tides of the economy are with them. “There are certain times when a strike is profitable for a company,” Warren says, “and right now is pretty close to that time.”

Shipyard orders are declining and the industry is heading into what looks like a dismal period for both commercial and navy ships, the latter constituting at least two-thirds of the sales dollars for the yard. The yard may be laying off as many as several thousand workers later this year

Continued on page 6.

A familiar story of changing times

By David Moberg

NEWPORT NEWS, VA.

Part 1

THERE’S A STORY BEHIND THE dramatic strike of shipbuilders in Newport News that is all too familiar in its basic outline: an established, locally-held company with a long tradition of craft work and responsibility for skilled workers and their foremen is taken over by a distant, aggressive, modern conglomerate.

The work begins to change. Supervision and discipline increase. Formal, disciplined bureaucracy replaces the paternalistic, personal style of management. Autonomy for workers and first-line supervisors declines as control is centralized.

The push for profit leads to declining quality, shortcuts, and violation of traditional ways of working. Management attempts to reduce the level of skill needed on any job, simultaneously cutting labor costs and reducing the power a worker gains through control of his or her skill. The work culture gradually changes, and

worker dissatisfaction and demoralization increases.

This is the picture that emerges from a week’s conversations with striking workers at the nation’s largest shipyard. Although common enough since the advent of monopoly capitalism, there were some special twists to the pattern in Newport News when Tenneco, a conglomerate based in Houston, took over in 1969, partly in response to requests by Newport News directors who were concerned about the shipyard losing money.

The shipyards had the aid of a company union in making their transition. However, precisely because of its complicity in the transformation of the yards, the Peninsula Shipbuilders Association (PSA) lost support and became an attractive target for national unions—at first the Machinists and now, with the success in their bargaining election a year ago, the Steelworkers.

Also, many aspects of the old paternalistic regime were maintained while the new system of centralized, bureaucratic control was imposed—yielding the worst of both worlds as a result.

Dissatisfactions that were growing even before Tenneco took over, some of them

stemming from the civil rights movement and other social movements of the 1960s, intensified with the new management. Instead of seeing themselves as one big happy family—or plantation—with common interests among the yard owners, the PSA and the workers, a divergence of interest developed and PSA caught as much flak as the company.

“The PSA always was autocratic and reflected the paternalism of the company,” Bernard Mergen, an American studies professor at George Washington University who has been studying the PSA, says. “It was like a plantation: you’ve got the overseers, the house slaves and the field hands. The PSA were house slaves.”

What the PSA guaranteed management, in addition to mild demands for pay or benefit increases, was extreme flexibility in running the yard and a minimum of work rules. Management is now fighting hard against the Steelworkers to preserve its power and flexibility.

“What the Steelworkers would mean to a place like this is a hell of a lot of restrictive work rules,” one member of management explained, when asked

Continued on page 6.

Steel strike

Continued from page 5.

in any case. Even if the company had somewhere near the numbers of workers back that it claims, however, it could still have problems. It seems clear that many critical skilled workers and reportedly the bulk of the all-important welders have stayed out. Workers inside the yard reported that they spent much of the day simply looking busy, but not really working. Some of the many foremen who have been pushed back into production work have been sent to welding school. Some close observers expect that discontent among those supervisors could become the weak link in the company's strike-breaking strategy. In any case, work in the yards would seem to be seriously disrupted, despite company claims that they are proceeding with their most critical jobs.

The effects of the battle in Newport News will clearly spill over beyond that community. In the past, for example, the PSA has opposed liberal Democrats, even supporting the conservative Republican Gov. John Dalton in the last election. (Dalton pledged state police to keep shipyard gates open well before the strike even started.) The Steelworkers could shift the political balance slightly left.



Some union organizers, such as Jack Hower, chief of the Steelworkers' drive at Newport News, doubt that a victory at Newport News would trigger any chain reaction of union victories in the South. "I generally don't believe in breakthroughs for southern organizing," one leading organizer said, "but a victory there would help everybody, North and South." Many southerners don't see eastern Virginia as being truly deep South. Besides, organizers insist, each campaign has to run its own course.

Warren optimistic.

But Warren thinks that the impact would be greater—comparable to the Cuban revolution raising awareness of socialism

throughout Latin America. "For one thing," he says, "it's the key to North Carolina. That's the most rapidly industrializing state in the South. They're coming in because of the so-called right-to-work law. They pride themselves on running factories efficiently without unions."

And what does Newport News Shipbuilding have to do with North Carolina? Well, over half of all workers from Newport News have family ties there. Over the years, the yard had a policy of recruiting only from small towns, preferably to the south, although many shipyard workers hail from western Virginia, West Virginia and even Pennsylvania. These workers quite regularly return to visit relatives.

"If the Steelworkers get in there and people see how responsible unions work, there will be Steelworkers going home and selling Steelworker philosophy," Warren says. Such links between urban workers and small towns and rural areas have had substantial effects elsewhere, such as in the successful fight last fall against a right-to-work law in Missouri.

Some workers at Newport News quite consciously see their plea for support among fellow shipbuilders as transcending their immediate needs, as a battle for their children's future and a battle for the South. "This is not only for us," Robert Papp, 37, who came from Cleveland to work in the yards, said. "It's for the entire labor movement."

Familiar

Continued from page 5.

what impact the union would have on the yard. "We may need welders or painters in large numbers, but if there are restrictive work rules, it's impossible to take a guy from one area and have him do other kinds of work. You see what happened to the steel industry. You got a lot of restrictive work rules and you lost a lot of jobs. PSA knows shipbuilding industrial processes. They know the need to have flexibility in work rules." Why did the company openly support PSA? "Basically, to protect our own business," he answered.

PSA and management had worked to protect each other. In 1967 there was a turbulent wildcat strike originally over overtime pay and refusal to work overtime among a group of crane operators shortly after Bob Bryant became business manager of PSA. A welder by trade, Bryant was the first PSA leader not drawn from the relatively elite group of designers who saw themselves as part-management, part-worker. A vote was taken and Bryant authorized the strike after it started, but the designers crossed the picket line. He retaliated against them.

Machinists began drive.

At roughly the same time, however, the Machinists began a recruitment drive and the new management took over. At first, managers resigned themselves to a Machinist victory but were then persuaded that they could use the foremen—buttressed by PSA delegates—to carry on a human relations campaign that would undercut the Machinist drive.

In order to defuse the support for the Machinists that would be easy to rally among the dissident designers, management persuaded Bryant to let the designers break away and form their own independent union. Although Bryant balked, management said it would back PSA against the Machinists only under those conditions.

Management beat the Machinists by having supervisors form closer ties with workers. There were also shortcomings in the Machinist campaign (such as working too much from outside the yard and carrying a stigma among some blacks as a racist union) and widespread fears of loss of pensions or other rights.

However, the new management brought in by Tenneco was not happy with the loose style of supervision that gave foremen and work crews some independence and that encouraged good personal relations more than discipline. Top managers felt that they would lose too much control. In 1972, the corporation sent in D.T. Savas, a man who had been in the auto industry and was accustomed to its typical pattern of tight supervision and discipline, to handle labor relations.

Savas, rather than seeing Bryant as a tyrant losing touch with his members, as some others in management believed (even to the point of planning to get him out, perhaps with an appointment to management), formed close ties with him. Both were avid golfers, and both were happy with an autocratic style of management.

Savas demonstrated his loyalty to Bryant by giving the designers a very hard time, eventually pushing them to affiliation with the Steelworkers in order to get some greater clout. That, in turn, precipitated a strike that started nearly two years ago. It also brought Steelworker organizers in touch with dissidents among production and maintenance workers.

The organizers discovered deep discontent with PSA and with management, especially among workers who were outside the well-protected PSA cliques. The final straw with the company union apparently came in 1975, when it negotiated away the shipyard workers' 20-minute paid lunch in favor of an hour unpaid lunch. Local members overwhelmingly voted down the lunch change in two ballots. On the third try, Bryant and one close ally did the tallying, and the provision "won" by a large margin.

Part 2 of David Moberg's story of the background of the Newport News Steelworkers strike will appear next week.

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- To understand the puzzling fact that people are vehemently anti-big government but not equally anti-big business
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- To understand why the Left lost its leadership on both human service issues and tax reform

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In the current January/February SOCIAL POLICY you can read Peter Dreier on The Case for Transitional Reform, Michael P. Lerner on Surplus Powerlessness, Roy Bennett on SALT II, Janet Zollinger Giele on Changing Sex Roles and Family Structure, Lori B. Andrews and Lowell S. Levin on Self-Care and the Law, and Alvin Toffler on No Allocation Without Representation.

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RIGHT TO WORK

Union supporters rally against bill

By Dede Feldman

SANTA FE, N.M.

THE SIGN SAID "LUCHEN CONTRA EL DERECHO A TRABAJAR," and it was one of many carried by Chicano organizations, farmworkers, Navajo miners, Catholic priests and local teachers who gathered outside the New Mexico state Capitol to register their opposition to a right-to-work bill now before the New Mexico legislature.

Right-to-work has been an issue in New Mexico for over a year now. Last January, the state Senate passed a Right-to-Work bill, but it was defeated in the House. This year, as expected, it has surfaced again in the legislature—this time passing the Senate by a 22-to-19 margin.

The bill is expected to pass in the House as well, but Bruce King, the state's newly elected governor, has promised to veto it if not passed by a two-thirds majority. If King vetoes the measure, Right-to-Work proponents say they will introduce a constitutional amendment that will put the measure before the voters in a referendum next year.

New Mexico, with its wealth of uranium, gas and oil reserves, and its minority workforce, has been a particular target of the national Right-to-Work Committee. Both Texas, Arizona and the Navajo nation, Southwestern neighbors of New Mexico, already have Right-to-Work laws and Right-to-Work forces would like to see New Mexico become the twenty-first state with such a law.

New Mexico is in a vulnerable position. Wages in the state are already low and unions are weak. The average hourly wage is \$4.69, as opposed to the national average of \$5.96; only 12 percent of the workforce is unionized and, as a result, per capita income is among the lowest in the country (forty-third).

But the area, with its vast mineral reserves now so important in the national energy picture, is fated to grow. It already has one of the highest growth rates in the country. And, for the energy corporations and other big businesses, that means profit.

In the past year, Right-to-Work advocates, with strong support from big oil and agriculture in the southern part of the state, have blitzed local residents with direct mailings and phone calls.

Playing off the unfortunate name of



Strong opponents to right-to-work laws picket the capital in Santa Fe, N.M., as the legislature considers the passage of such a law.

the bill, Right-to-Work advertisements and letters have appealed to a sense of decency and fair play. This sense, however, was lost in this fall's tough battle between Joe Skeen, Republican Right-to-Work candidate, and Bruce King, a New Mexico rancher who now sits in the Santa Fe roundhouse.

Also lost in the election fray were key members of the legislature, many of them Chicano, who might have turned the tide

against Right-to-Work there.

But if anti-Right-to-Work forces in New Mexico lost in some areas they have gained in others. The Jan. 24 anti-Right-to-Work rally drew over 500 from community and labor groups throughout the Southwest. Representatives from the Texas Farmworkers, the Maricopa Organizing Project in Arizona, and members of the Navajo locals of the United Mine Workers, brought home the fact that the Right-to-Work struggle is part of a larger ethnic and regional struggle going on for some time now.

Members of the NAACP, the National Organization of Women, the GI Forum and even Bishops from the Archdiocese of Santa Fe stressed the right to organize as a human—and a minority—right, not just an economic issue.

Representatives from the United Mine Workers in West Virginia, the Longshore and Warehousemen in Southern California, and the Retail Clerks in New Mexico, served to show that labor in the South—beleaguered as it is—is capable of standing together to prevent passage of Right-to-Work laws and even to begin to move on to repeal Right-to-Work laws already on the books in many states.

Markedly absent from last week's rally were representatives from the state's largest labor organization, the AFL-CIO. Their absence was due to a tactical disagreement that preceded this year's legislative session. The larger unions preferred to work with the state's newly elected Democratic Governor Bruce King, who was elected largely through labor and minority votes. His friends in the larger unions don't want to embarrass or risk alienating him after his promise to veto the act.

But Right-to-Work opponents, including Judy Pratt, a newly elected Representative from Albuquerque's university area, who is at the center of an emerging labor-minority coalition here, went ahead with their plans anyway.

"Today is the beginning of a massive educational effort in New Mexico," Pratt told *IN THESE TIMES*. And the effort, say Pratt and other labor organizers, will not end with a defensive battle against Right-to-Work.

Instead, the struggle will move on towards repeal of other states' Right-to-Work laws and the repeal of the Taft-Hartley law itself. In the coming battle, local organizers may look less toward big union support, preferring instead to rely on the example set by the Texas Farmworkers, many of whom have extensive contacts in New Mexico.

Organized in 1975, the Texas Farmworkers Union is an independent union that broke away from the United Farmworkers after disputes over "illegals," and the UFW's lack of financial support. Currently the Texas Farmworkers are engaged in a 40-day march from Muleshoe to Austin, Texas, where they will present the legislature with demands for collective bargaining for farmworkers in that state.



UPI

Farm workers strike for big pay hike

By Larry Remer

EL CENTRO, CALIF.

STRIKING MEMBERS OF THE UNITED Farm Workers (UFW) were attacked by private security guards who wielded sticks, used dogs, and fired shotguns at the feet of striking pickets, as a walkout by 3100 Imperial Valley, Calif., lettuce pickers entered its second week.

In one incident, 24 people were injured in a rock-throwing melee after growers attempted to remove boxes of scab-picked lettuce from a struck field. In other fields, UFW members report that local sheriff's deputies aided grower-paid security guards in attempting to harass and intimidate farm worker pickets.

UFW spokesman Marc Grossman condemned what he called "a deliberate campaign of intimidation and provocation at violence on the part of the growers."

But the growers are facing a very solid pro-UFW base of farmworkers from both the Imperial Valley and Mexicali, across the border in Mexico. UFW leader Cesar Chavez addressed this issue in an emotion-packed speech before a crowd of more than 5000 at the beginning of the third week of the strike.

"We've never been stronger," declared Chavez. "We're going to set a precedent

of dignity and justice for farmworkers all over the country."

Chavez declared that, if necessary, the UFW would launch a nationwide lettuce boycott to bring the growers to the bargaining table.

\$5.25 an hour sought.

The strike now involves 28 Imperial Valley lettuce growers who produce 95 percent of the nation's winter lettuce crop. The UFW is seeking to increase the minimum wage for pickers from \$3.70 an hour to \$5.25, and is seeking pay hikes ranging from 30 to 90 percent in some job classifications.

The growers have offered a 7 percent pay hike, which they state is in line with President Carter's anti-inflation program. But UFW negotiators rejected the proposal, noting it would leave farm workers with less real purchasing power than they had a year ago.

For the UFW, the Imperial Valley strike is the first large-scale confrontation since California's famed Agricultural Labor Relations Act (ALRA) took effect in 1975. That legislation, which was pushed through by Gov. Jerry Brown, gave the UFW organizing rights farm laborers never had before in California. In providing for state-regulated elections and sanctions to reluctant growers, the ALRA has permitted the UFW to solidify its

base, win contracts throughout the state in several crops, and provide union scale employment and improved benefits for more than 50,000 farm workers.

Threats to gains.

But some other factors here conspire to pose a threat to the UFW's gains. Large-scale mechanization of agribusiness has thrown thousands of farm workers out of work and, in the next decade, UFW president Cesar Chavez has predicted that mechanical harvesters and sorters will eliminate 100,000 of California's 250,000 agricultural jobs.

In addition, the flow of Mexican laborers into the U.S. has steadily increased. Though many head for the cities, a large number of *campesinos* (peasants) search for work in rural areas, giving growers a vast reservoir of impoverished workers in search of employment. This keeps wages in the fields low and provides an ever-present pool of strikebreakers when labor strife erupts.

Though the UFW has begun a campaign against agricultural mechanization and has steadfastly organized *all* workers during UFW drives, the pressure of a dwindling supply of jobs and an increased supply of workers is taking its toll.

The present campaign in the Imperial Valley is seen by many UFW sympathizers as an effort to win for the UFW the same kind of pivotal economic wedge enjoyed by other unions like the Longshoremen. The goal seems to be to gain a decent living wage for UFW workers in California, the UFW is looking to a victory in the lettuce fields to serve as a springboard for taking the union in force to other states, Chavez told *ITT*.

LETELIER-MOFFITT MURDER

The prosecution goes on resting

By Max Weisenfeld

WASHINGTON

THE PROSECUTOR IN THE Letelier-Moffitt murder trial, that began Jan. 15, has rested after four weeks of testimony that ranged from spy-story excitement to dull legal technicalities.

To many observers, the presentation of what could have been a strong case against three Cuban nationalists, charged with the bombing deaths of Orlando Letelier and Ronni Karpen Moffitt on Dec. 21, 1976, has been uninspired.

The prosecution case has been fragmented by continued disputes over evidence and testimony usually resolved in lengthy courtroom consultations from which the jury and press were excluded. However, Judge Barrington D. Parker Jr. recently opened the legal hearings and transcripts of the trial to the scrutiny of reporters.

The statements of the three defense lawyers are framed in flamboyant rhetoric, frequently interrupted by admonitions from Judge Parker about proper courtroom demeanor. By contrast, Assistant U.S. Attorney Eugene Propper addresses the court in a flat monotone.

Surprise witness.

After the prosecution's star witness, Michael Vernon Townley, DINA agent, spent a grueling five days on the witness stand, the prosecution ended with several surprise witnesses. Jose Barral, a friend of the defendants, stated that defendant Alvin Ross and Dionisio Suarez, a fugitive in the case, came to him in need of a "large-sized blasting cap," a device used to detonate explosives. Barral explained that he kept the blasting cap in a flower pot behind his house "because of the children."

Another Cuban Nationalist Movement member, Ricardo Canete, testified that he had heard Alvin Ross boast that he constructed a bomb used to kill Letelier and had been the "wheel man" for the assassination. Subsequent to that meeting, Canete continued, he was threatened by Virgilio Paz, also a fugitive charged in the case, who declared, "We did it, they know it, let them prove it," in reference to the Letelier murder.

The third surprise witness, Antonio Polytarides, is a Greek gun-runner who was in jail with Guillermo Novo in New York. Novo allegedly tried to buy 160 machine guns from him, as well as 20 pounds of C-4 plastic explosives (similar to those used in the Letelier bombing) and 200 fragmentation grenades. Polytarides quoted Novo as claiming that he had been "betrayed in his case but will pay them back."

Haganah veteran.

The final surprise was a veteran of the Haganah and the Israeli army named Sherman Kaminsky, who had been in jail with Alvin Ross this past summer. Kaminsky described how Ross had "talked and talked and talked" about loading boats with plastic explosives and blowing up Russian ships in U.S. harbors, about DINA and Chile, about Gen. Manuel Contreras (head of DINA at the time of the Letelier killing), about "a rat, an informer, a traitor...called Michael Townley."

Ross went on, apparently, about the Letelier murder itself, saying he was "glad the rotten communist was dead," and that he had contributed two wires to the bomb. He also called the CIA "a goofball organization that goofed up the Bay of Pigs, Allende, Cambodia and Vietnam."

"I am no fool," Kaminsky quoted Ross as saying, "I will not pay for the killing of Letelier. People everywhere will be glad to blame the CIA."

Despite sharp questioning by defense attorney Larry Dubin, Kaminsky maintained that it was Ross' plan to blow up Russian ships, not the Letelier case, that



FBI photos of Virgilio Paz (left) and Jose Sharez, Cubans indicted for the Letelier murder but still at large.

motivated him to tell the lawyer about Ross. Kaminsky asked his lawyer to inform the CIA that this "dangerous man" could cause an international incident.

Chilean lawyer.

Some developments of the trial take place outside the courtroom. Sergio Miranda Carrington, the lawyer for Gen. Contreras, observed the trial at the District Court in Washington on Monday, Feb. 5. In conversation with reporters, he claimed

that DINA had been dissolved because all Chilean Marxists had been eliminated. He stated that Pinochet and Contreras are "still good friends."

He denied that the CNI, the successor agency to DINA, had paid for his and the trips of two other agents to the U.S., but other sources confirm this.

Miranda Carrington, who once defended a Nazi fighting extradition from Chile, volunteered to give his word as a lawyer to the court that Townley acted

without DINA orders. The defense declined to put him on the stand.

Miranda also brought a tape allegedly of a phone call Townley made from the courthouse in Washington to a friend in Chile. In the tape, Townley insults Judge Parker, calling him a "nigger."

The appearance of the Chileans in Washington casts doubts on the claims of the Chilean government that it is cooperating fully with the U.S. government in the Letelier-Moffitt case. ■

Skeletons in confessional booth

By Marcelo Montecino

SANTIAGO, CHILE

It started in the confessional. A troubled DINA (secret police) agent seeking spiritual comfort confessed the existence of a mass grave in an abandoned lime furnace in Lonquen, some 30 miles south of Santiago. Church authorities of the Vicariate of Solidarity immediately investigated and confirmed the macabre story.

Under an elaborate cover of rocks and carefully poured concrete the remains of at least 20 people were found on Dec. 1. The skeletons and badly decomposed bodies were bound with wire and some skulls were perforated by bullets. A wall nearby had bullet holes and some spent shells were found.

Shortly afterwards, in mid-December in Cuesta Barriga, near the old road to the port of Valparaiso, more unmarked graves were found. Although the exact number of bodies is still unknown, there could be as many as 16.

For the first time, the embattled military government issued a statement that practically admitted that the grisly discovery might have something to do with the approximately 1,500 persons

that have disappeared since the military coup. Previously, the government's response had been that these people never legally existed, had abandoned the country, or had gone underground. The government statement said in part that "[the government] does not dismiss the possibility that in the inevitable confrontations that took place immediately after Sept. 11, 1973, to repel attacks from armed groups and to defeat organized armed subversion with the magnitude of a civil war, people from the other side could have been killed without being properly identified."

Subsequent investigation by the Vicariate of Solidarity and reported by the Christian Democratic weekly *Hoy*, indicate that the unmarked graves in Cuesta Barriga were the result of a mass execution. There is reportedly an eyewitness who survived the shootings and who, for obvious reasons, remains anonymous but is willing to testify.

According to some sources, Bishop Enrique Alvear personally took some of the remains of the victims of Lonquen to Supreme Court President Israel Borquez to dramatize the insistence of the Church on an answer to the problem of the disappeared.

But even if the responsibility for these crimes is ever established there is little that the judiciary can do. Last June, the government decreed an amnesty that can cover crimes of this nature.

Recently, however, the judiciary has demonstrated a remarkable degree of independence. Relatives of the disappeared told *IN THESE TIMES* that they were pleased with the appointment of Patricio Banados as investigator in the Lonquen case. Banados has had a long distinguished career as a jurist and is regarded as a man of initiative and independence.

The identification of the cadavers is now in the hands of the Institute of Forensic Medicine, a government institution. Ana Gonzales, leader of the Association of Relatives of the Disappeared, has little faith in that institution: "In the case of Marta Ugarte (one of the disappeared whose body was found on a deserted beach in mid 1976), the Institute knew her identity and did not make it public. Her relatives had to identify her."

A poem by a relative of one who disappeared tells it all: "A photograph in my heart./My God, is that all we have left?" ■

IN THE WORLD

CHINA AND THE U.S.

Deng seeks alliance against Polar Bear

By Haunting (Carroll)

AFTER HUNTING AROUND about it for months, Deng Xiaoping finally popped the question to the U.S.: how about joining together with China, Japan and Western Europe to oppose the "Soviet polar bear"? The Carter administration blushed at the Chinese advances, nervously glancing at Deng's competing actions from the north. But President Carter and his advisers did not outright reject the proposed union during Deng's historic visit to the U.S. Jan. 29 through Feb. 5.

Deng first made his proposal in an interview with *Time* published the day he was welcomed to the White House: "If we really want to be able to place curbs on the polar bear," he said, "the only realistic thing for us is to write."

Deng also told *Time* that he thought the Soviet Union, not the U.S., was "the true hotbed of war" which sought "to control the whole world" through "global hegemonism."

Deng sided with Carter's SALT opponents, saying he agreed with an open letter signed by 173 retired U.S. generals and admirals published last month that charged the Soviets were heading for military superiority, not parity.

Arguing that the U.S. was in "strategic retreat," the Chinese Vice-Premier said that in "seeking world peace and world stability, such agreements [as SALT II] are neither as significant nor as useful as the normalization of relations between China and the U.S. and the peace and cooperation treaty signed between China and Japan."

Deng continued his attacks on "Soviet hegemonism" during his visit to the U.S., although he toned down his remarks on SALT, saying that the agreement "might be necessary," even though it would not restrain the Soviets. Deng also rejected the actual word "alliance" to describe his call for "common efforts" against the Soviets. Nevertheless, Deng pressed his case for the U.S. to join an informal alliance or bloc with China, Japan and Western Europe to encircle and contain the Soviet Union.

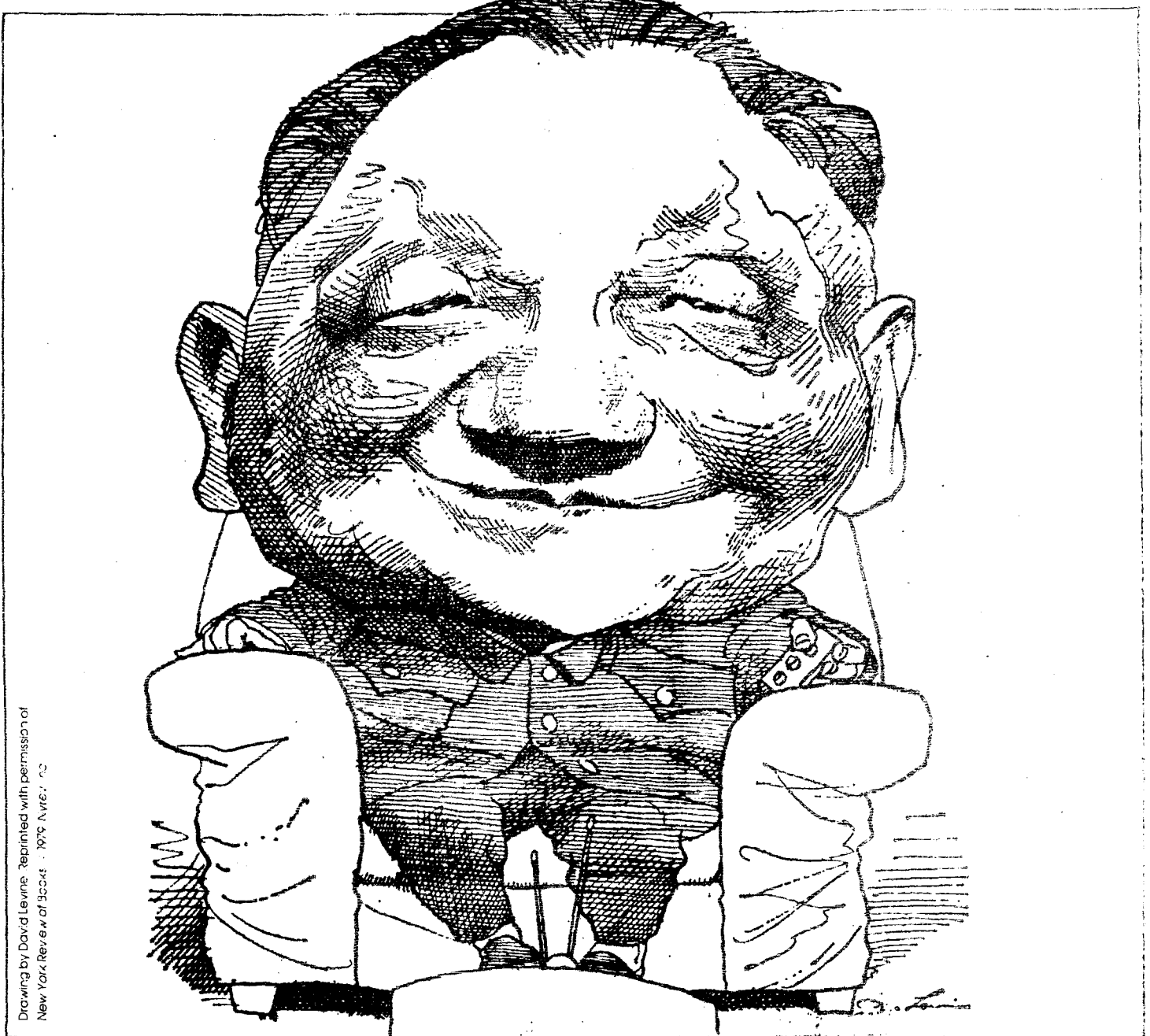
U.S. reaction ambiguous

The U.S. reaction to Deng was ambiguous—perhaps reflecting the White House's desire to move as close as possible to China without decisively antagonizing the Soviets, as well as reflecting differences within the administration. The joint press communique issued at the end of Deng's stay in Washington said the two sides reaffirmed that "they are opposed to efforts by any country or group of countries to establish hegemony or domination over others."

The communique said the two sides "agreed that in many areas they have common interests and share similar points of view," although "they also discussed those areas in which they have differing perspectives."

President Carter said the day before, during a ceremony for the signing of scientific and cultural exchange agreements, that the U.S. and China "have agreed to consult regularly on matters of common global interest [presumably the Soviet Union]." Yet Carter added that "the security concerns of the U.S. do not coincide completely, of course, with those of China. Nor does China share our responsibilities"—suggesting that SALT was an area of "differing perspectives."

Carter did not explicitly reject the Chinese proposal for an informal alliance against Moscow while Deng was in the country, however. This led the Soviet



Drawing by David Levine. Reprinted with permission of New York Review of Books. 1979. NYR: 10.

news agency Tass to call for a "clarification" of the administration's attitude toward the "incendiary statements by the Chinese guest of the White House."

Georgy Arbatov, a close advisor to Soviet President Brezhnev, said in an interview with CBS Feb. 2 that Deng was attempting to "hammer into the minds of Americans an illusion that...an improvement of relations with China can be a sound alternative to detente, to arms control, to development of cooperation in the world, etc."

"This illusion, I think," Arbatov said, "is dangerous even in the era of conventional warfare. It becomes tremendously dangerous in the era of nuclear warfare." He added, however, that he thought the U.S. was "rather far" from an alliance with China, and that he had hopes for the "common sense and political wisdom of Western countries and the American people."

Policy to be "balanced"

The Soviets will have to make their own assessment in coming months as to whether the core element in the new Sino-U.S. relationship is anti-Sovietism. On the official level, the administration is likely to continue the "even-handed" policy that was reaffirmed on the eve of Deng's visit.

"Our policy toward [Peking and Moscow] will be balanced," Secretary of State Vance stated on Jan. 11, "and there will be no tilts one way or the other, and this is an absolutely fundamental principle." According to *Time*, the cabinet-level Policy Preview Committee last month "recommended that the President avoid any steps that could be construed as a 'Tilt' toward China at the expense of the Soviet Union."

On a practical level, however, the U.S. is likely to tilt toward China, moving to

strengthen ties with Peking at Moscow's expense, through:

- Active administration support for a massive transfer of technology to China, from offshore oil rigs and help damming the Yangtze river to building and launching a domestic communications satellite system;

- A de facto administration favoring of China in the transfer of defense-related technology, despite an official policy of even-handedness;

- Acquiescence and perhaps quiet support for Western arms sales to Peking, including the recently announced British sale of Harrier vertical takeoff jet fighters;

- Closer Sino-American consultations and frequent pursuit of parallel policies in Africa, the Middle East and Persian Gulf, Southeast Asia and Northeast Asia;

- Increasing informal defense consultations between China, Japan and NATO, as well as increasing U.S.-Japan defense cooperation and a buildup of Japanese military forces encouraged by both Washington and Peking.

Congress too can be expected to join in the debate over tilting toward China—particularly in regard to trade. Deng assured Sen. Henry Jackson (D-WA), co-author of the 1974 Jackson-Vanik amendment tying trade benefits to emigration policies of communist countries, that China would soon give public assurances of freer emigration.

Jackson said that the Chinese would qualify for Most Favored Nation (MFN) trade status "without question." But despite greatly increased Jewish emigration from the Soviet Union last year, Jackson says that Congress is not going to grant trade concessions to the Soviet Union "in the midst of an enormous Soviet build-up and their disruptive actions on Afghanistan, Vietnam and Iran."

Sen. Adlai Stevenson (D-IL) introduced

legislation Feb. 5 to pave the way for normal trade relations with both China and the Soviet Union. It would relax current restrictions on MFN status and provide up to \$2 billion in credit from the Exim bank for both countries.

Stevenson told the *New York Times* that he was concerned that Deng's visit would touch off an effort in Congress to grant tariff and credit concessions to China without similar moves toward the Soviet Union, which, he said, "would give credibility to the suspicion that the U.S. is playing a China card."

While the "honeymoon" in Sino-American relations is expected to continue for some time, U.S.-Soviet relations are not likely to improve markedly. Even the signing of the SALT II treaty—expected soon by both Soviet and American officials, to be followed by a Carter-Brezhnev summit—may not greatly ease tensions between Moscow and Washington.

The Senate ratification debate—even if the administration wins approval for the treaty—will be bitter and is likely to further exacerbate tensions with Moscow and deepen public suspicion of the Soviets. Moscow will be charged with an excessive buildup of both conventional and nuclear forces, and with unacceptable involvements in the Third World and a general ambition of global domination. U.S.-Soviet competition over the Third World also is likely to continue, with a pronounced tendency to blame the Soviet Union for U.S. "losses" around the world such as Iran, whether or not there is evidence of significant Soviet involvement.

If U.S.-Soviet relations deteriorate further, the alternative of a closer alliance with China to contain the Soviets may gain increasing support in Congress and with the American public.

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OIL

Iran crisis cuts off S. Africa oil flow

By Our Correspondent
in South Africa

NOWHERE HAS THE VIOLENT upheaval in Iran been followed with more concern than in the ruling circles of South Africa. A little-known relationship between the two countries dates back to World War II, when the current Shah's father, Reza, settled here in exile after the British and Soviets forced him out of power for his pro-German sympathies. He died here and is buried in Johannesburg.

But far more than sentiment underlies the apartheid government's concern. Alone among the oil producing nations, Iran has continued to supply South Africa with crude oil, about 90 percent of its needs according to the accepted estimate.

For a country with no oil resources of its own, the connection has been critical. And the worst has come to pass: first, the Ayatollah Khomeini said he favored an end to oil sales to South Africa, then the new moderate prime minister, Shakhpour Bakhtiar, endorsed the embargo and promised a fundamental review of South African-Iranian relations.

South Africa is not unprepared for the crisis. Government supporters talk hopefully of stockpiles held in abandoned gold mines; the amount is a guarded secret, but it is guessed to be a one- to three-year supply (although the military has priority).

Furthermore, South Africa relies on



An oil worker at an Iranian refinery.

oil for only about 25 percent of its energy needs, rather less than most industrialized nations. And the government says it has already started to buy oil surreptitiously on international markets, even though it is paying a premium.

The government is also banking on Sasol-2, an enormous facility which will use advanced technology, some of it supplied by American firms, to extract oil from coal, which South Africa has plenty of. The \$2.8 billion project, which employs some 20,000 construction workers, will begin functioning late this year.

Sasol-3 in the works.

When it reaches full capacity in 1985, together with the smaller Sasol-1, which is already in operation, it will supply 30 percent of the country's oil needs. And the government this year will probably announce plans for a Sasol-3.

Nevertheless, the Iran cutoff will require strict conservation measures, possibly including rationing. The Minister of Economic Affairs has appointed a 40-

member special commission which is deliberating in secret, but said to be considering (1) taxes on autos that waste fuel, (2) a levy to subsidize improved public transport, and (3) reducing the hours during which gas stations will be open and declaring periodic "gasless Sundays." If these measures fail, or do not seem strong enough, the ration coupons printed but not used during the 1973 oil shortages may be put into circulation.

South African motorists (the vast majority, not surprisingly, are whites) are already grumbling over a 10 percent gasoline price increase that became effective Jan. 1. They now pay about \$1.40 (U.S.) per gallon, a price which has quadrupled in the last ten years and will certainly rise even more. Astronomical fines for speeders—in some cases as high as \$150—have also caused complaints.

Crisis in Rhodesia.

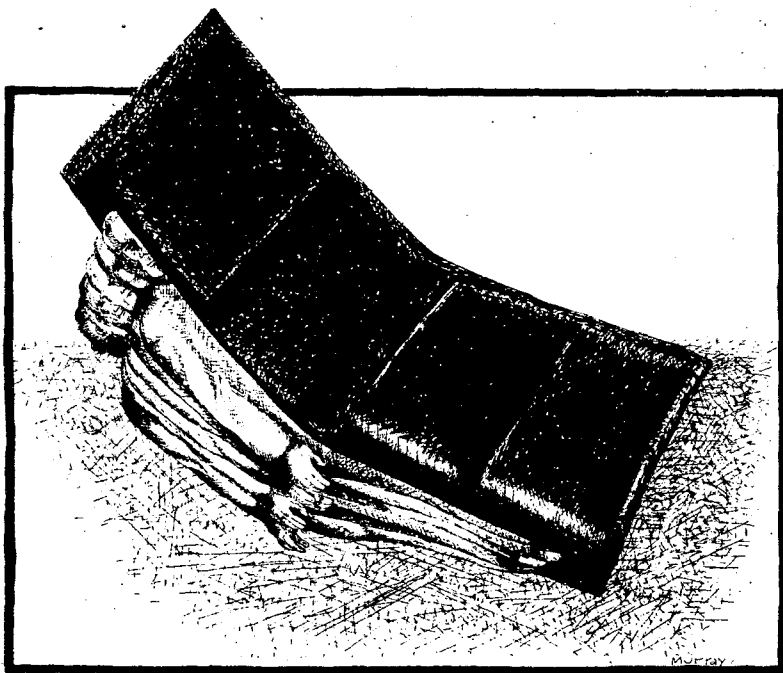
The increased discomfort in South Africa will be paralleled by real crisis in Rhodesia, which has stayed alive thus far due to collusion between Pretoria and

sanctions-breaking oil companies. But now that South Africa has its own shortage to worry about, the Smith regime's needs will take a back seat.

Western leaders have reportedly already decided to use the Iranian move to put added pressure on Rhodesia. The minority regime was not helped by the daring guerrilla raid late last year, which blew up an oil dump on the outskirts of Salisbury that contained an undetermined but clearly significant percentage of the country's precious reserves.

In white South Africa, the fuel crisis is taken as yet another ominous sign that the country is sliding steadily toward a war footing. The national Automobile Association cautioned motorists over the New Year to avoid accidents during their "final fling" before the fuel conservation measures go into effect.

White South Africans are realizing that the good life is slowly drawing to a close. They will increasingly be called upon to sacrifice—and to fight—to defend their privileges.



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IRAN

Islamic revolution sweeps the country

By Diana Johnstone

PARIS

THE AYATOLLAH RUHOLLAH Khomeini has created a classic revolutionary situation in Iran. His alternative government is extending its control throughout Iranian society. Its final key task is to win over the army—or at least a chunk of it.

As soon as the Ayatollah took the acting capital of Iran from his exile headquarters in Neauphle-le-Chateau, France, back to Tehran, the parallel power structure capable of turning massive street revolt into revolution could be glimpsed.

While Shahpour Bakhtiar rattled around in the palace where the Shah left him as prime minister, protected by an army of uncertain loyalty, Khomeini set up his government in a high school in a crowded section between the Great Mosque and the Bazaar—the two basic organizing forces behind the year-long movement that sent wave after wave of demonstrators to brave murderous repression until the Shah came tumbling down.

The mosques and the bazaar merchants, with their endless maze of contacts, have woven a network of neighborhood committees able to organize and police local activities. They are the base of a structure topped by a 200 member representative council headed by the Ayatollah Mahmoud Taleghani.

Its executive committee, from seven to 15 members, depending on the business at hand, includes elected representatives of the bazaar, the respectable political opposition and professional associations of doctors, engineers and university professors—all Moslem.

With no one else listening to him, Bakhtiar (related to ex-Queen Soraya and to the founder of the SAVAK political police, but himself a real liberal), playing Kerensky to Allah's Lenin, called in the foreign press for long interviews, vowing not to give in to the mob.

No more liquor in Iran.

Meanwhile, the mullahs were organizing an Islamic police force, spreading Islamic instructions (bars stopped serving alcoholic drinks), accepting declarations of Islamic allegiance from a stream of repentant officials and, most important of all, wooing the army.

The Islamic revolution is clearly not just a formless mob rampaging through the streets, but the live structure of Iranian society today, ready to animate the republic demanded by the Ayatollahs or to wage civil war.

In either case, Iran's Islamic revolution promises to be the major political event of this mournful decade of the '70s, dominated by oil and disillusionment. Ancient Persia was the source of the religions of light and darkness, goodness and evil, the Manichean heresy.

The latest explosion of righteousness in this crossroads of civilization may well inspire an enthusiasm and emulation in Islamic lands comparable to that inspired in the working class movement by Lenin's revolution half a century ago.

Khomeini is an international spiritual leader, whose authority extends to Shi-ite Moslems beyond Iran's borders—most of them in Iraq or Lebanon. He and his followers state clearly that their Islamic revolution would be good for the whole Moslem world.

Echoes will be heard.

Whether or not it makes headway in Africa, Asia and even the Soviet Union, as some mullahs predict, it seems certain to have important echoes in lands where the "Arab revolution" has gone astray.

It is causing great excitement in Egypt, where President Anwar Sadat, after comforting the exiled Shah, felt compelled to speak out against "religious interference in political affairs," even quoting Jesus!



When the Ayatollah Khomeini returned to Tehran, he brought the acting capital with him and revealed the potential for a popular revolution.

advice to "render unto Caesar that which is Caesar's."

This was a switch for Sadat, who first covered his retreat from Nasserism by turning to traditional religion as the best safeguard against Communism. Islam no longer looks so safe. If holy war comes, credit must go in part to the U.S. for promoting the notion of a religious state—Zionist Israel—in the midst of the Islamic world and for consistently aiding in the repression of genuinely "Westernizing" secular political forces in that part of the world—notably the Lebanese left—because they were inevitably tinged with Marxism.

The Iranian revolution is, in large part, a restoration of the structures, values and elites of an old nation, ignored by an arrogant ruler and his money-mad hangers-on.

But its economists and intellectuals have probably given more thought to Iran's development than the profiteers in charge of the Shah's supposedly enlightened modernization.

Iranian economists close to Khomeini stress the "uselessness" of capital in the Shah's Iran, where productive investment has declined because it brings small profit compared to speculation or import-export.

Agriculture is a disaster and industrialization is mostly just assembly plants dependent on multinationals, as in the rest of the Third World.

Oil wealth misused.

Oil wealth has served only to turn Iran into a market for Western products—notably food and armaments. At this rate, by the time Iran runs out of oil, it will have no economy—simply a pattern of imports and no way to pay for them.

Abdul Bani Sadir, described as "Khomeini's economist" during his French exile, favors decentralized nationalization as part of the long process of reorganizing the Iranian economy around Iranian and not foreign requirements.

"Management of capital and of production should be separate to avoid too much concentrated power," he says.

Producers themselves should manage production through Imam Committees, an original form of workers control based

on the fundamental Shi'ite concept of the "Imam" as guide and coordinator.

"In the factory, the Imam committees would set the owner's annual rate of profit, and the nationalized banking system would provide the capital," says Bani Sadir, explaining the Islamic republic's economic system.

In the countryside, Bani Sadir favors going back to the old Iranian tradition of communal property through an agrarian reform using the village as productive unit. This would make it possible to use land left fallow as unprofitable since the Shah's land reform brought Iranian farming into the capitalist system.

Politics were personal.

Bani Sadir, with a grounding in Marxist economics, concluded that, in Iran, Western forms of political struggle degenerated into personal rivalries "incapable of giving rise to a socio-political force able to achieve fundamental change." Hence his enthusiasm for the Ayatollah's Islamic revolution.

The Iranian left has supported the Islamic revolution despite misgivings because it is, indeed, getting the job done: chasing out the Shah, seeking to wrest the economy from the multinationals, providing an opening for political action. Many who, in other circumstances, might have been "westernizers" have decided to play by the Koran.

There are Iranian women who declare staunchly that women are equal in Islam—"not in Arabia, not in Iran, but in Islam." One can only wish them success with this line of argument.

Leftists have been active in aspects of the Islamic revolution, such as strikes, that seem most propitious for building a working-class movement.

As elsewhere, the pro-Moscow Tudeh Communist party is largely discredited, while the far left is divided and apparently stronger on than off campus. When the long-persecuted non-religious left "came out" 10,000 strong in a demonstration on the south side of Tehran on Jan. 21, bands of Moslem fanatics ("lumpen-religious") taunted and threatened the "Communists."

The westernized Marxist left seems to have far too narrow a social base ever to "take over" the movement organized by the mullahs and the bazaari. A likelier role would be sacrificial lamb, a common enemy to facilitate the embrace between soldiers and mullahs, while readdressing foreign powers. But Allah may work his miracles in nobler fashion.

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BY ALEXANDER COCKBURN

WHO DOES DEI



Cleveland Mayor Dennis Kucinich has refused to knuckle under to demands of the city's business leaders that he sell the municipal electric company

What happened in Cleveland on the morning of Dec. 15 was an utterly traditional encounter in American politics. Cleveland's leading banker told the mayor—as the mayor recounts it—that the banks would bail out the city if the city did as it was told. In a less traditional response, the mayor told the banker to get lost.

A result of the confrontation has placed Cleveland in technical default on \$15 million of short-term loans due six Ohio banks that day. Ohio Gov. James Rhodes is introducing legislation that would essentially remove control of the city's finances from the elected city government and place it in the hands of a commission dominated by outsiders. On Feb. 27, Cleveland's voters will be asked to approve an income tax increase and the sale of the city-owned municipal light system.

Three results seem likely: that the tax hike and the utility sale—both opposed by Mayor Dennis Kucinich when he was elected in 1977—will be passed in the referendum and that Cleveland's control over its own finances will be severely limited.

Thus Cleveland, which over the last decade has managed to dispose of vital organs such as its sewer system, its port, its parks, its transit system, its athletic stadium and its zoo, will finally lose the last appurtenances of independent status and will become a museum exhibit for historians of the American urban crisis. The mayor will repose in the spectacular city hall, the council will confer, the poor whites and poor blacks will continue to subsist in the filth and decay of the inner city—all tragicomic ornamentation to the serious business of the day, which is, as it always has been in Cleveland since the mid-19th century, the amassing of large amounts of wealth by a small number of people.

The banker who held a gun to Kucinich's head that December morning was Brock Weir, chief executive officer of the Cleveland Trust Company. Weir spoke with an authority that, on examination of the business power structure of Cleveland, appears amply justified. Like most banks in the U.S., Cleveland Trust does not affix details of its holdings to the doors of city hall for examination by the populace; but in a famous study in the mid-1960s, the late congressman Wright Patman, then chairman of the House Banking Committee, published a fold-out chart of the Cleveland Trust Company that showed its ties, through interlocking directorships and stock holdings by its trust department, with virtually every major corporation in Cleveland.

Figuring prominently on Patman's chart were: Republic Steel, Jones and Laughlin, Sherman Williams, Cleveland Cliffs, Oglebay Norton, Higbee Company, Island Creek Coal, Taft Broadcasting, Bobbie Brooks, Eaton Yale & Towne, White Motor, and Cleveland Electric Illuminating Company. Patman also reported that Cleveland Trust owned substantial amounts of the other banks in Cleveland, including the National City Bank, itself the second-largest in the city. Patman declared at the time that "the pattern of bank stockholder ownership and control in Cleveland is perhaps the most interesting and at the same time the most alarming of the ten cities under study in this report."

Indeed Brock Weir, imported from California in 1973 to "jazz up" the bank (his words), should be considered the actual chief operating officer of the city. The real city hall is the Union Club, where the businessmen meet in a spirit of mutual concern and self-help that would have

been the envy of the Paris Commune of 1871.

When E.W. Sloan, a former chairman of Oglebay Norton, was asked some years ago whether the banks were not the real center of power [in Cleveland] he raised his eyebrows and declared, "Of course we're all on the banks. I'm on a bank. We all know each other. We all belong to the Union Club. We all call each other. We have no hesitation to call each other for help." Sloan's evocation of the facts of life is summed more succinctly in another favorite saying around town: "You can beat our Browns and our Indians, but it's tough to beat our Union Club."

The spirit of business confidence in Cleveland rests on solid foundations. The city is most famous as a center for iron and steel, coalescing around the old Hanna mining interests. Its preeminent citizen has been John D. Rockefeller, who began his business career on the Cleveland docks as a clerk and bookkeeper. Here Rockefeller compiled his small savings and joined with a young Englishman, M.D. Clark, in launching a produce-commission business that made \$450,000 in its first year of operation in 1858. Four years later the two young men backed another Englishman, Samuel Andrews, in starting a refinery. They put up \$4000 and in a remarkably short time were re-investing to the tune of \$100,000.

The present governor, Rhodes, is fond of saying that "profit is not a dirty word in Ohio," and such words decorously echo the animating principles of the greatest businessman of the 19th century. "The only time I ever saw John Rockefeller enthusiastic," a man told Ida Tarbell, author of the *History of the Standard Oil Company*, "was when a report came in from the creek that his buyer had secured a cargo of oil at a figure much below the market price. He bounded from his chair with a shout of joy, danced up and down, hugged me, threw up his hat, acted so like a madman that I have never forgotten it."

Rockefeller combined his different interests into the Standard Oil Company in 1870, with consequences for Cleveland and the world abundantly evident ever since. But not only did Cleveland engender the form of the great Standard Oil monopoly: in more recent times Cleveland industrialists were paramount in the reorganization of the coal industry in its modern form. In the 1930s the coal industry in the U.S. existed in a state of perpetual chaos. Some 5000 companies fought each other for a share of the business. Shortly before World War II Cleveland blueblood George Humphrey, then president of the M.A. Hanna company, joined George Love in Pittsburgh in buying up various coal properties, including those previously owned by the Rockefellers and the Mellons. The resulting colossus was the Consolidation Coal Company, which, under the leadership of Love and with Humphrey as the silent partner, was to dominate the coal industry for the next generation.

As with oil and coal, so in iron and steel did Cleveland acquire the reputation of being a tightly knit, determined and very powerful business center. In the 1930s according to economist Paul Sweezy, there was the Rockefeller group, the Morgan group, and, near the top of the list, the Cleveland Group. Cleveland Trust (now a one-bank holding company) was viewed as the hub for the city's industrial enterprises. When Brock Weir told Kucinich "either/or," he was merely echoing a century's worth of extremely assured and dogmatic business confidence. And as Weir put it last week, "...On Dec. 15 we decided to kick back."

The boyish mayor on the other side of the table from Weir was born in Cleveland after World War II and bounced from one neighborhood to another as his

Steve Capron

J & JAMES RIDGEWAY

truck driver father attempted to make a go of things with a rapidly increasing family. Frank Kucinich is of Croatian descent and Virginia, Dennis' mother, is Irish.

As Kucinich grew up, the situation in Cleveland was becoming more and more volatile. Poor whites from Appalachia and blacks from the South trekked into town in search of jobs and the middle and upper classes were entrenching themselves in the suburbs. The inner city became more depressed and the tax base declined. By the mid-'60s Cleveland was ready to explode. Riots in Hough, a black Cleveland ghetto, broke out in the summer of 1966 and smaller confrontations occurred almost nightly in the early months of 1967.

At this point the spirit of *noblesse oblige* among the city fathers (naturally perturbed by the prospect that rioting might extend into the more prosperous parts of town) assumed concrete form. Money was allocated for civic improvement, and sagacious placement of campaign financing helped elect a popular black, Carl Stokes, as mayor.

Cleveland's business community generally supported Stokes in the hope that he would keep things quiet. The amity was short-lived, however, and soon Stokes was being quoted by associates as saying, "I'm not going to be their house nigger."

Stokes represented the liberal formula in a way: private funding of urban renewal, a popular black mayor, the federal trough—all to contain the '60s unrest. He was followed in city hall by a person intrinsically more congenial to the local business folk, in the form of Ralph J. Perk, a white Republican perhaps best remembered for two incidents: setting his hair on fire with a welding torch while opening a new urban edifice, and his wife's rejection of an invitation to the White House because it interfered with her bowling night.

There was more to Perk, though, than these two episodes might indicate. The time is recalled, for example, when Perk, under investigation in one scandal, claimed he had been under sedation when he made out a personal check for \$5000 for his share of a computer business run by some of his employees while he was a county official.

Perk soon won the reputation of "Mayor or Giveaway": During his tenure, in 1972-75, the city's tax base slid \$30 million a year, while the population declined from 750,000 to 650,000. Housing was abandoned and industry fled to the suburbs. Amid these travails Perk, hoping to win a seat in the U.S. Senate, did not wish to bring upon himself the odium of raising taxes. On the other hand, Perk could not very well turn the swelling tide of short-term civic debt into long-term bonds unless he raised property taxes to finance the bond repayment.

In this dilemma Perk hit upon a single solution: if you cannot pay for the city, sell it off. Thus over the Perk years many of Cleveland's civic assets were excised. The transit system deal provides a good example: its 1975 assets were reported to be \$72 million, with net operating revenues of \$28 million; Perk proposed to sell the system for \$70 million to the newly established Regional Transit Authority. Then it was announced that the city would receive a windfall \$10 million for the sale. It finally turned out that the city would receive repayment of only \$8.8 million in loans to the system, plus \$1.1 million for parking lots that had been thrown into the deal; and so the city transport system passed from Cleveland's control into an authority dominated by businessmen and lawyers who used the acquisition as a wellspring for life-enhancing real estate and construction deals.

Then there was the case of Cleveland

Stadium, leased out to "civic-minded businessmen." The stadium group was required, under the terms of the lease, to pay \$370,000 in one year, which represented debt service on the improvements and the property tax. The group instead sent the city a check for less than \$1000.

One of Mayor Perk's contributions was the organization of city financing in such a way that no one had the slightest idea of what was going on. After several years of trying to figure out the books, Cleveland State University professors John Burke and Edrick Weld concluded in one study that "the city's accounting system predates Medici banking." The professors said they had "no idea if corruption existed at city hall, but since each account is so isolated from the other, effective cash management is impossible, leaving the system vulnerable."

Just how vulnerable is still becoming apparent on the front pages of the Cleveland papers. The *Cleveland Press* reported last week that Perk had awarded \$2.8 million in no-bid rubbish contracts when mayor to a company that then paid out at least \$50,000 to other concerns owned by two Perk employees. City and state law forbid municipal employees from having a direct or indirect interest in any city contract.

The city's accounting system may not have predated Medici banking, as Burke and Weld suggested, but it certainly immediately predated the administration of Kucinich, now being charged with having inaugurated anarchy in city hall with his youthful populist shock troops.

Kucinich entered city hall in 1978, after first being elected councilman in 1969. He has been widely portrayed since then by the Cleveland press and the national media as a brash, smart-alecky punk. In this hostile rendition, his close associates and his cabinet members are seen as recruits from high school, barely out of their teens and ludicrously unprepared for the administration of a major American city. The supposed power behind Kucinich's throne, former UAW official Bob Weissman, is described as a mad radical. Evidence of Weissman's impetuosity is adduced by his alleged censorship of a mayor's press conference by the abrupt tactic of yanking a radio transmission line out of the wall. That particular matter is now before a grand jury—less an indication of the seriousness of the charge than of the odium which surrounds Weissman's every move.

But no single event last year captured the tone of the coverage of Kucinich's administration, in the average hostile account, better than the mayor's public firing, on television, of Chief of Police Richard Hongisto. Hongisto, subsequently appointed New York State corrections commissioner by Gov. Hugh Carey, never did buttress his charge that Kucinich had pressured him to commit "unethical acts"; and even this damning phrase was not quoted from Hongisto, but put in his mouth by the *Cleveland Press*.

The Hongisto firing, damaging to Kucinich, led to the recall campaign, which he survived by only a few hundred votes. The picture now in general circulation is of a ranting adolescent deservedly under increasing discipline by responsible souls, zealous to retrieve the honor and fiscal probity of Cleveland.

Much of this is absurd caricature. There is no doubt that Kucinich has played white ethnic politics in Cleveland to the hilt and has been accused by those who wish to support him of opportunism and racism. But Carl Stokes dismisses the latter charge: "The mayor is no racist,"





George Forbes, Cleveland council president and Kucinich's most vehement opponent, has been a devoted friend of Cleveland's corporations.

he says. Stokes points out that under Kucinich four of 11 cabinet posts are black, and that the head of the fire and police departments is black.

The dislike for Kucinich and the attacks in the press against him go far deeper than his brusque manner, his young aides, or even the antics of Weissman. There are profound reasons why Kucinich is loathed by the city fathers. Kucinich, unlike almost any other U.S. mayor, has directly confronted the businessmen who run Cleveland, on matters that have gone previously unchallenged.

The most important of these relates to the tax base of the city, which bears strongly in turn upon the city's ability to float bonds to get out of the mess inherited from Perk. Kucinich ran against any increase in property taxes, which would most sorely affect his working-class constituents (a majority in Cleveland) who pay 68 percent of such taxes. At the same time Kucinich pledged himself to stop the practice of providing tax abatements to major corporations that undertake projects in the city.

Shortly before Kucinich took office, for example, the city council granted an abatement in property taxes to the huge National City Bank for its new downtown office building. Their abatement saves National City about \$14 million in taxes that it otherwise would have had to pay over 20 years. Sohio, at that time talking about the construction of a \$79 million corporate headquarters in downtown Cleveland, is similarly anticipating a handsome tax abatement.

The case of Republic Steel provides a good study of the fructifying relationship between business and city hall before Kucinich took office. Republic Steel proposed a big ore dock under the aegis of the Port Authority. In the envisioned scheme, the Port Authority was to issue tax-free bonds to pay for the project. It would assemble the land and take care of any environmental problems. Republic Steel would receive priority use of the dock and the deal would require Republic to pay \$100,000 a year for four years. Republic Steel was, in short, getting a large dock for virtually nothing, and the cost was to be borne by the city, with some development expenses to be picked up by the federal government. The Kucinich administration calculated savings to Republic Steel at \$128 million over 40 years.

A keen advocate of this scheme was the man who has been Kucinich's most vehement opponent inside City Hall. George Forbes, a black, is the council president, and has dominated that body for a number of years. Forbes has been a devoted friend of business. In this case it transpired that a Republic Steel official involved in the ore deal was associated, with Forbes, as a fellow director in a shipping firm the two had previously set up.

The council duly passed the legislation enabling the deal to go through. Kucinich vetoed it and the veto held. (Republic Steel had threatened to move out of Cleveland if the ore deal was denied. This was a hollow threat, for on Dec. 20, the same day the company announced it was moving its ore dock to Loraine, Ohio, it announced a \$200-million expansion of its Cleveland facilities.) But Kucinich's action increased the long-term enmity between Forbes and himself.

If the tax-abatement dispute indicated the seriousness of Kucinich's onslaught on big business, his long-time defense of the city-owned Municipal Light Plant is at least symbolic of his devotion to publicly owned enterprise.

Here the facts are fairly simple. The Municipal Light System (Muny), organized in 1905, is a modest enterprise, pro-

viding electricity to no more than 20 percent of the city's population. The bulk of the city's electricity comes from the Cleveland Electric Illuminating Company (CEI).

A seasoned observer might suppose that CEI and the Cleveland Trust enjoy a friendly business relationship. He would be right: two members of Cleveland Trust's board of directors are also members of CEI's board. Cleveland Trust controls voting rights to 1.8 percent of CEI's stock. The bank has loaned the private utility money and it is one of several banks that helped to finance the purchase by CEI and other utilities of two profitable coal mines. Cleveland Trust manages about half of CEI's \$140-million pension plan and it registers CEI stock.

An overriding goal of CEI for years has been to engulf and otherwise devour Muny. However weak in comparison, the public company bore the stigma of not being private and presented a threat, however remote, of being a potential source of competition to CEI, by linking up with other publicly held concerns.

Muny is a dilapidated and fragile symbol of public power, and enthusiastic propaganda for its economic benefits and financial stability, promoted by prophets of the "new urban populism," should be viewed with extreme caution. It does not control its own power supply and indeed has had to acquire it from CEI. CEI has provided it, in the most reluctant and inconvenient manner. A U.S. nuclear regulatory board that had occasion not long ago to look into the relationship between the two companies found that CEI was charging the city four times the amount it received from its large industrial users, such as Republic Steel, and had engaged in price-fixing. When Muny took power from CEI, according to the regulatory group, the transfer was engineered in such a way as to result in blackouts in the city.

The findings of the nuclear regulatory board fueled an anti-trust suit by the city against CEI on grounds that CEI and its neighboring private utility had conspired to violate the anti-trust laws. That case is expected to go to trial shortly, and the Justice Department has filed a friend-of-the-court brief in Muny's favor.

Kucinich has unceasingly defended Muny and believes—along with many impartial observers—that the city has an excellent chance of winning the \$328 million suit. If true, Kucinich would have more than enough to pay off the \$15 million that has placed the city in technical default, as well as the \$100 million in debt coming due in the next year.

With the anti-trust suit coming to trial, the objective of CEI and its supporters in the banks and industry has been to dispose of this unwelcome dispute as expeditiously as possible. The opportunity seemed to come in the December encounter between Brock Weir and the mayor.

Al during 1978 the Kucinich administration had been at work drawing up a plan that would permit renewal of the \$15 million in short-term debt, and that would allow the city to move ahead in the regaining of investor confidence after the Perk years and Kucinich's inauguration. Advisers included the First Boston Corporation and Salomon Brothers, two upstanding investment banking houses. Also counseling city hall was the Wall Street firm of Mudge Rose Guthrie & Alexander, adept—as the name of former partner John Mitchell will readily evoke—at bond counseling. The plan included Kucinich's willingness to propose a one-half percent tax increase, and the appointment of a financial adviser—agreeable to both banks and the city—to shepherd the city along in its operations. Kucinich

insists that the banks were closely consulted during the fall and were basically well-disposed to this plan, despite his threats to hamper their operations if they failed to provide funds for the government and residents of the city.

Events took a decidedly ominous turn in November when Bob Franken, a television reporter, went on the air on Channel 8 (a Storer property) with the tidings that National City Bank—holding \$4 million of the \$15 million debt—was having second thoughts about rolling over.

"News Center 8 has learned that National City Board Chairman Claude Blair has been saying in private conversation that because of what he views as the Kucinich administration's antagonisms toward the business community, he's considering not refinancing the notes held by his bank," Franken said. "That would probably mean the city would default. Sources quote Blair as saying that he's willing to take the consequences for Cleveland as the price to pay to see Mayor Kucinich defeated in next year's election. My sources ask not to be identified."

Within two days the station, on the orders of its Miami headquarters, was reading a retraction and apology written by the National City Bank. Following the denial of his story Franken resigned. But Franken's predictions of an ambush proved correct, with similar tactics and a different bank.

To try to get clear what happened next we talked in great detail to Mayor Kucinich, who gave this account, bolstered by notes he had taken:

"On Dec. 14 we had a meeting at the Investment Plaza building where the chief executive officers of the local banks were all present. Five of the six banks committed [themselves] at that meeting to participate in the city's plan. One bank balked. Brock Weir, chairman of the Cleveland Trust...actually said that he resented the other bank's attempts to use peer pressure on him. He resisted any attempts to solidify a consensus. He indicated that...he had reasons for not participating and if anyone wanted to know his reasons they could step outside the room and he would tell them."

Kucinich interrupted himself with an aside on Weir: "The first time I ever met him was a few years ago before I ever announced I was a candidate for mayor. I told him I was going to be running for mayor. One of the first topics he brought up was my insistence on keeping the municipal light system. He felt I was just doing it for political reasons, because it was popular among the people and I had no real commitment to it. So what was I trying to pull?"

Kucinich returned to his theme. The meeting broke up. National City, chastened, he believes, by Franken's report, sought to lead the banks into an agreement along the lines of the original plan. "It was Julien McCall [president of National City] who was aghast at Brock Weir's adamant refusal to participate in the plan. I'm sure I did not misread Mr. McCall's efforts."

"I was in contact with my staff throughout the day and I had a number of calls from advisers who prevailed on me to make a last-ditch effort and get Forbes and Cleveland Trust together for a meeting the following morning. Which I did. We met at 8 o'clock on neutral grounds in the offices of Bobbie Brooks [a leading garment firm]."

At this decisive meeting were Kucinich, Forbes, Weir and Maurice Salzman, the head of Bobbie Brooks and a supporter of Kucinich during the mayoral campaign. Salzman did not play an active role in the meeting, according to Kucinich. Kucinich continues:

"I was told in no uncertain terms by Brock Weir that the city of Cleveland could avoid default if I sold the municip-

pal light system and that the price of Cleveland Trust's participation in the plan was the sale of Muny Light and that if I didn't sell Muny Light the city of Cleveland would be in default. If I did sell Muny Light not only would we avoid default, because Cleveland Trust would renew our loans, but Cleveland Trust through Brock Weir would lead the way in getting the city of Cleveland \$50 million in credit. They would help solve all our financial problems. All I had to do was sell Muny Light.... I didn't say much at the meeting. Forbes and Weir did most of the talking. Forbes was telling me what a great future I would have in politics if only I would try to get along with people and work with people and this could mean the end of my political career."

This was a private meeting, but there was seeming confirmation of Kucinich's version on the 6 o'clock news, when Basil Russo—a Forbes lieutenant and major figure in the city council—announced that if the mayor would sign a resolution to sell Muny Light, passed by the council that morning, "the chairman of the Cleveland Trust bank has informed the council that his bank will purchase \$50 million worth of city bonds." Question: "That is, if he will only agree to sell Muny Light?" Russo: "That is correct. But in return for that the bank is pledging a \$50 million loan to the city of Cleveland, which is something no bank has been willing to do until now."

Last week we told Forbes the mayor's version of the meeting. "That's an outright lie," he replied. Forbes went on to say that Weir never mentioned the Muny plant but that he promised to use his influence to get up to \$50 million if the city came up with an acceptable plan. "You can take it from me, I was there."

On Dec. 15 the city went into technical default, although the banks agreed not to call their notes until after the Feb. 27 city referendum—the final result of the post-default politicking. Weir, at a luncheon for newsmen last week, was talking about putting together a coalition of Cleveland banks that would give the city a new long-term loan to pull it out of default. He also told the reporters that he favored both the proposed income tax increase and...the sale of Muny Light. He looked favorably on Gov. Rhodes's plan to set up a commission to oversee the city's finances. He said that the banks' demands for the repayment of the notes had followed months of vilification by the Kucinich administration. "We had been kicked in the teeth for six months. On Dec. 15 we decided to kick back."

The most striking aspect of the mood in Cleveland is that Kucinich does not get a fair shake. The press and television in that city are biased against him to such an intense degree that some reporters on the *Cleveland Plain Dealer* demanded an oversight committee to try to ensure more balanced coverage.

With the business community in Cleveland itself, the hostile Republican climate in Columbus, and the press all aligned against him, the mayor is paying the penalty for adhering to an independent political position.

His misfortunes demonstrate just how hard it is for someone who deviates in any substantive way from center-right politics to survive in this decade. Kucinich, to put it baldly, is generally regarded as a lunatic. He has in fact acted, as he says, on his belief that public institutions are viable and that government must not be surrendered to the private sector. We are encumbered with a national government and two parties that accept such surrender as an article of faith, and Dennis Kucinich's struggle against the Cleveland Set is laudable, and deserving of more widespread support than has been apparent.

IN THESE TIMES

EDITORIAL

Corporate-elect nullify elections

Next week the people of Cleveland will vote in a referendum on whether to increase the city income tax and whether to sell Muny, the city-owned electric company, to a private utility. The sale would give complete monopoly control over the city's electric power to the private company. (See the story by Alexander Cockburn and James Higinway, pp. 12-14.)

Last year, Cleveland's voters elected Mayor Dennis Kucinich on a platform pledging no property tax increase, an end to tax privileges for business, and retention of public ownership of Muny. Kucinich stood for the principle of popular democracy against corporate rule operating behind an electoral facade. The city's Lords Corporate have been fighting to nullify the election results ever since.

First, last August, they tried and failed to recall the mayor. Then, last December, they manufactured a bogus financial crisis when the banks refused a routine extension of a tally \$15 million short-term city debt. (The city's anti-trust suit, backed by the U.S. Justice Department, seeks damages of \$328 million from the private electric utility for exorbitant overcharges. The forced sale of Muny would put an end to the suit.) Then, the banks deferred the debt payment "deadline" pending the outcome of next week's referendum.

The referendum is not exactly a "free election." The voters go to the polls with a gun at their heads. They either vote "yes" to the higher tax and the utility sale or watch their city collapse into financial chaos, gutted public services, massive lay-offs of public workers, and probable New York-style receivership imposed by the state and controlled by the bankers.

Whichever way the citizens vote, self-government will lose. The corporations will have shown that whenever the people elect and on whatever platform, corporate power must rule. Cleveland is to be an object lesson for all American cities: They'd better forget about public ownership of utilities and effective business taxation. They must accept corporate rule or municipal ruin. Their elected officials must bow to the Corporate-Elect.

For all its special circumstances, there-



IT'S FROM JUNIOR... HE'S RUN OFF TO JOIN THE CLEVELAND CITY COUNCIL...

fore, Cleveland's crisis is relevant to all American cities and their prospects for self-government and social well-being.

There is another object lesson to be found in Cleveland's crisis—one that the Lords Corporate may regret having forced to the surface over a mere \$15 million and the lilliputian Muny. It is that the corporate investment system is at war with municipal democracy and healthy urban development. Corporate investment decisions have denuded cities of jobs and accessible housing. Corporate investment power has blackmailed cities into granting tax privileges to business that deplete public revenues and force cut-backs in needed services. Corporate banking power enforces the blackmail by withholding credit and charging exorbitant interest rates.

That is one side of the object lesson. The other side is that a public investment and banking system is the only practical alternative to corporate rule or ruin.

The corporations in Cleveland, as elsewhere, have been playing off black and white, lower and middle income, people against one another with demagogic promises of jobs and amenities if only business is left free to invest as it pleases and is exempted from effective taxation. City governments, without ownership of wealth-producing resources, and without an independent investment power, cannot effectively counter these corporate blandishments. Mayors like Kucinich find themselves unarmed against the corporate attack. Even professed socialists like the Socialist Workers Party, in slating a mayoral candidate to run against Kucinich in the next election, find themselves surrendering to the corporations—taking the absurd position of favoring the sale of Muny to the private company and calling for "regulation," which has always been the corporations' way of circumventing popular democracy and raising rates.

Municipal-owned banks and utilities,

generating funds that can be publicly re-invested in jobs and services in the cities, are the way to give substance to popular self-government and at the same time guarantee urban economic stability and the general welfare. They will also, by the way, put an end to municipal deficits and bankers' blackmail.

Though since submerged, that lesson was understood (at least in part) by Cleveland's voters over 70 years ago. They elected Mayor Tom Johnson (1901-1909) and established Muny during his administration, in 1905. Mayor Johnson fought for municipal ownership of utilities and clearly identified corporate power as the basic source of municipal demoralization and corruption of urban democracy. As historians Morison and Commager observed, Johnson made Cleveland "the best governed city in the country." That is the lesson the corporations want us to forget.

Around the turn of the century voters in other cities, too, elected mayors like Johnson: in Toledo, Ohio (Sam "Golden Rule" Jones and his successor Brand Whitlock), Detroit (Hazen S. Pingree), Jersey City (Mark Fagan), San Francisco (Fremont Older), Milwaukee (Emil Seidel), and in countless smaller cities.

Mayor Kucinich follows in, and has sought to revive, Johnson's tradition. It is for this that the Lords Corporate are determined to break him—before that tradition rejuvenates its roots in Cleveland and spreads to other cities.

Toledo's Brand Whitlock put the issue clearly over 60 years ago: "The ills from which our cities suffer are not from the ills incident to democracy; they are ills incident to a lack of democracy.... Cities are ruled by...the State capital...in league with...utility corporations and political machines." Or, as Detroit Mayor Pingree's aide Edward Bemis declared: "It is not so much the undercrust as the upper crust that threatens the interests of the people." Cleveland's crisis is forcing Tom Johnson's tradition back into public consciousness.

Kucinich may lose this battle—indeed, it is already all but lost—but the war has just begun.

The Weber case: affirmative action Catch-22

The facts underlying the Weber case now before the U.S. Supreme Court (see Laurence R. Spierber's analysis, p. 18) dramatize the obstructive role the courts are now playing in efforts to redress injuries of racial discrimination.

In line with a 1974 national collective bargaining agreement, the United Steelworkers and Kaiser Aluminum & Chemical Corporation instituted at the Gramercy, La., plant what is widely regarded as a model voluntary affirmative action program for job training.

In an area where blacks comprise 46 percent of the population, only 15 percent of the plant's work force was black. And blacks held only five of the 273 skilled jobs. As elsewhere in the U.S., blacks in this Louisiana area have suffered systematic exclusion from training and apprenticeship programs by companies and unions. Without a special program, the injuries of racism could not be redressed.

Kaiser and the union agreed that instead of bringing in skilled crafts workers from outside, as in the past, they would train and promote workers from within the plant. Since this opened new opportunities for white as well as black workers at Gramercy, whites benefitted from this affirmative action.

The plan provided that minority group workers would account for half the employees selected for training until their proportion among skilled workers in the plant approximated that of minority workers in the local labor force.

The courts are wrecking a program at Gramercy that benefits both blacks and whites.

The plan went into effect without lawsuits, fiats, or court orders. A remedy benefitting both black and white workers was accomplished without charges or official findings of past discrimination against the company or union.

Brian F. Weber, a white worker at the plant, charged that because the black workers selected for training had less seniority than he, the program discriminated against him, in violation of the Civil Rights Act of 1964. The New Orleans U.S. Court of Appeals upheld his contention. Following Justice Powell's Bakke ruling, the court held that because no discrimination was alleged or demonstrated in the record, Kaiser was not legally guilty of discriminatory hiring or promotion in the past, and the affirmative action quotas were therefore illegal.

Hence a legal fiction is made to govern reality.

If this ruling is upheld by the Supreme Court, companies and unions will be damned if they do and damned if they don't. If they admit to past discrimina-

tion as the condition for instituting a valid affirmative action plan, they open themselves to lawsuits, penalties, and loss of government contracts. If they make no such admission, they are liable to suits by whites like Weber (or Bakke), and their programs can be dismantled by the courts. The courts in effect are making government-ordered programs the only kind possible, and voluntary programs impossible.

The catch-22 mess is created by the Supreme Court's refusal, in Powell's Bakke decision, to accept the historically realistic principle of "societal discrimination" as valid grounds for remedies, without attributing guilt to a particular party or individual. It insists on individual guilt for a social condition.

Either the Supreme Court will apply a

different standard in the Weber case, or other measures will have to be found to facilitate voluntary affirmative action programs—and to prevent the judicial emasculation of civil rights gains made in state and federal legislation of the recent past.

One such measure might be congressional legislation establishing a "redemption fund" to recompense minority members who win suits against private parties or government agencies that admit to past discriminatory practices in setting up valid affirmative action programs. The fund could be supplied by tithes on all businesses, by tax deductible contributions, by a tax check-off similar to that for funding presidential campaigns, and by allotments from general revenues. Such a measure would come close to reparations proposals made by some blacks and angrily rejected by most whites back in the 1960s.

But it would be much simpler and fairer to blacks and whites alike if the Supreme Court would abandon its legal fiction and recognize the principle of social responsibility for this nation's history of racial injustice, and the wisdom of socially responsible remedies whether undertaken privately and voluntarily or publicly and by compulsion.

LETTERS

STORMY WEATHER

HAVING WRITTEN A BOOK AND SEVERAL articles on climate, I was somewhat appalled at the amount of misinformation crammed into your recent article on the weather (*ITT*, Jan. 24). Some basic points:

1. Neither Reid Bryson, able scientist though he is, nor anybody else knows what the climate is going to do over the next 50 or even 20 years. For every expert who says temperatures are going to drop, I can find another who'll tell you they're going to rise—and two who'll say they don't know.

2. The recent drought and famine in the Sahel were only in part caused by natural forces. Nomadic herdsman in the region had been allowed and encouraged to increase their herds up to and beyond the carrying capacity of the land. Result: destruction of ground-covering vegetation, soil deterioration, less effective rainfall, and quite probably, by any of several possible meteorological mechanisms, less rainfall overall. Moreover, much of the most productive (i.e., irrigated) land was farmed by foreign-owned agribusiness in export (non-food) crops—and continued to be during the famine.

3. As for the CIA report you quote, my own conclusion after reading it in full was that the authors were grossly ignorant about (A) climate, (b) history, and (c) the English language. One example, in discussing the forces that produce different climates around the world, they "forgot" the most basic one: the fact that the earth is round.

—Robert Claiborne
New York

SWELL

IT IS RARE THESE DAYS TO FIND A beautiful newspaper—particularly one that makes such skillful use of type and layout on newsprint, and it is rarer to find such talent and sensitivity in a publication representing your side of the political aisle.

I congratulate you, and send my admiration. Too often periodical publishers are so sure of their righteous prose that they don't bother to make their journals decent to look at. *ITT* clearly knows better, and bless you for that; may your coffers swell and your subscription list grow like Jack's beanstalk.

—Tom Turner, Editor
Not Man Apart
San Francisco

PERHAPS THE BEST

I HAVE RECENTLY MOVED OUTSIDE the Northeast Corridor for the first time, and find special effort required to get solid news here. IN THESE TIMES helps a lot, because you see your purpose as serving people with meaningful information about significant events, rather than as feeding "the masses" items designed to "raise their consciousness." This approach lets you produce perhaps the best news journalism on the left today.

Hard news contributes to liberation, because only if people have reliable information about their situation can they control their own lives. A socialist definition of "news" would be "what you need to know in order to participate." Left journalism could effectively base its news judgments on that criterion: what would people need to know about this situation if they wanted to participate effectively in it?

—Richard S. Beth
Springfield, Mo.

WALKING ON ITS FRONT LEGS

THANK YOU FOR JUDITH GARDINER'S review of *Sex, Class and Culture* by Lillian Robinson (*ITT*, Jan. 17).

There is much to be wary of, however, in the search for a "feminist esthetic." One danger is the deterioration of taste (with its manifold implications) that often corresponds to the enthusiasm for art that delivers a preconceived message or strokes a pet peeve.

The popularity of *The Women's Room* is a testament to just such a deterioration. The banalities of vision and expression, the insignificance of the characterizations, the crankiness of tone—the downright silliness of much of the book—are tolerated for 600 pages even by those women who acknowledge the book as a failure. *The Women's Room* is read for its anger, not its excellence.

Feminist critics do the women's movement no favor by permitting the sound of axes grinding to lull the sensibilities. To accept and to tout poor craftsmanship and weak thinking simply because it is by women or celebrates the concerns of women is merely to patronize. The patronization of women is a traditionally male posture that feminist critics have a responsibility to avoid.

Spared an unrelenting demand for excellence, women's works are reduced to the position of Mark Twain's dog that walked upright on its front paws. The wonder was not that it walked well but that it walked at all.

—Maureen Mullarkey
Brooklyn, N.Y.

JONESTOWN VS. SOVIET ANTI-SEMITISM

IT IS INCREDIBLE THAT *ITT* COULD devote so many pages in three issues to the Jonestown story—and then cut Peggy Dennis' story on Soviet anti-Semitic writing, leaving out some of the most significant examples. It shows something that has become apparent to many readers in recent months—a growing lack of sensitivity in your staff to about how Jews, even non-Zionist Jews, feel about anti-Semitism.

In another unbelievable story, headed "Islam plays progressive role," Stephen Daggett defends Khomeini, the leader of Islam forces in Iran, and presents him as a progressive.

In Khomeini's book, *Islamic Government*, a collection of lectures given in Iraq in 1970, he calls for 1) 80 lashes as a punishment for the wine drinker, 2) lashing, stoning and in some cases stoning to death of fornicators, 3) cutting off the hands of thieves. He also accuses Jews and their foreign masters of not only planning to dominate Iran, but also of plotting to rule the entire planet.

—Larry Scheff
Chicago

ANTI-SOVIET HYSTERIA?

PEGGY DENNIS, IN ORDER TO PROVE that "anti-Semitism...is propagated by official Soviet institutions," accepts the premise of the current anti-Soviet propaganda that any attack on Zionism or Judaism is tantamount to an attack on Jews (*ITT*, Dec. 20, 1978, Jan. 10).

Does Peggy Dennis not know that Zionism was vehemently opposed by all factions of the old Russian Social-Democratic Party (Bolsheviks and Mensheviks) and also by Bund, the most influential organization among the Jewish workers, as a reactionary, illusory solution of the Jewish problem? She may now charge others for supposed "ignorance" in not evaluating "Zionism as a national liberation movement" but this does not entitle her to equate Soviet anti-Zionism with "anti-Semitism."

Peggy Dennis considers also that Soviet condemnation of Judaism is identical with anti-Semitism. Judaism is the historical religion of Jews (confined to the believers) but this does not make it immune to being criticized and the critics should not be castigated as "anti-

Semitic." Of course, the stupidity of some Soviet publications should be exposed (some in the Soviet Union have been), but this cannot be categorized as "anti-Semitism."

In case of a direct accusation of anti-Semitic expression in a Soviet publication (*Ogonok* 1974), Peggy Dennis descends into outright distortion. By using her own word "acceptable" just before the quotation (assuming it was not taken out of context) that the pogroms in Czarist Russia were a "form of class struggle against rich Jews" she infers that the Soviet writer lauded the Jewish pogroms as an acceptable revolt of the Russian people!

The socialist movement has the right and duty to censure all the wrong aspects of the policy of Soviet officialdom. But our criticism should not degenerate into slander which in these times only helps to augment the anti-Soviet hysteria prevailing in this country.

—Arthur Redler
New York City

ONE OF OUR TROUBLES

ONE OF THE TROUBLES WITH LEFT publications is that they often get their facts about business wrong. There's plenty to criticize in the corporate world without distorting. But critics destroy their credibility when they make gross errors. Bruce Vandervort's piece on the cigarette industry (*ITT*, Jan. 24) is a prime example of this kind of sloppiness.

Going through it from top to bottom, I found these errors:

1. American Brands does not make Benson & Hedges, Philip Morris does.
2. Gulf & Western produces only cigars, not cigarettes, and its 1978 cigar sales of \$170 million are lower than some cigarette producers not named in the story (Liggett & Myers, Lorillard).
3. British-American Tobacco, the largest of all these companies, does not make Kent; Lorillard does.
4. Rupert/Rembrandt has not acquired Liggett & Myers.
5. R.J. Reynolds never acquired Reynolds Aluminum.
6. American Brands was not the second largest corporate advertiser in 1976. It placed 32nd.

I've rarely seen one article contain so many factual errors. I write a column in this area and so may be extra sensitive. I do enjoy *IN THESE TIMES*.

—Milton Moskowitz
Mill Valley, Calif.

Editor's Note: Please keep letters under 250 words. Otherwise, we must make drastic cuts, which may change what you want to say. Also, please type and double space letters, or at least write clearly and leave wide margins.

DIALOG

By Bobby Nelson

JOHN JUDIS (*ITT*, JAN. 24) HAS BROUGHT TO OUR ATTENTION a CIA-sponsored study of global climate that forecasts a protracted cooling trend with more severe winters in the Northern Hemisphere and an increase in temperature in the equatorial regions. Judis is to be commended for bringing this to the readers' attention, but the alarming nature of his report is unwarranted. The CIA's conclusions are based on two observations. First, atmospheric carbon dioxide (CO₂) is increasing worldwide, and second, there is an increase in atmospheric particulates concentrated mostly in the Northern Hemisphere. The report argues that the CO₂ traps the sun's radiation in the atmosphere by the "greenhouse effect," which causes warming; and the particulates reflect sunlight back into space before it reaches the Earth's surface, causing cooling. The study concludes that cooling predominates in the Northern Hemisphere, and that warming predominates

in the equatorial zone.

Climatic variation is far too complex a process to be explained by CO₂ and dust. In the 1940s the Yugoslav scientist Milankovitch hypothesized that the main driving mechanism for ice ages is minor variations in the Earth's orbit. Subsequent evidence strongly supports the hypothesis. A 1976 article in *Science* concluded that, based on this model and "...ignoring an-

thropogenic effects..." the destiny of the Northern Hemisphere over the next several thousand years is toward extensive glaciation. Ironically, in the long run the CIA's conclusions may be right but for the wrong reasons.

The caveat, of course, is the "anthropogenic effects," primarily from gas and dust generated by fossil fuel consumption. A recent article in *Scientific American* reports that since the beginning of the industrial revolution, atmospheric CO₂ concentration has risen 88 percent, mostly in the last few decades. We might be tempted to conclude that the resultant greenhouse effect should cause global heating, however an important feedback mechanism buffers this process. This is related to cloud cover. If the temperature of the atmosphere were to rise slightly from an increase in CO₂, then more of the Earth's moisture would be converted to clouds, which reflect the sunlight back into space. This would cause cooling. The net result of these processes could be a standoff.

The effect of increased dust concentration is also highly speculative: The CIA study argues that increased dust concentration should decrease average temperature; however, a 1976 *Science* article concludes that the cooling effect of particulates "...will be either sporadic (in the

case of volcano aerosols) or limited by the short lifetime of airborne particles subject to fallout and rainout..."

A further problem with the CIA report is the base period to which their climate study is compared. *Science* reports a widespread belief that the 40 years preceding 1950 was unduly warm and that the cooling off of the '60s and '70s is a return to more "normal" conditions. If so, the CIA has explained a natural process by unnatural causes!

There are many plausible theories of climate change involving a multitude of factors, including sunspots, solar variability, continental drift, and also snow, ice, and biomass cover. With the exception of the long-term Milankovitch effects, none has been subjected to scientific scrutiny.

It is difficult to forecast the trend in climate over the next several decades. The long-term effects of fossil fuel consumption should be studied carefully to avoid a possible environmental catastrophe, yet despite human activity, the end product may be a result of natural processes that are not now understood. Until we know more, we should encourage efforts to curtail the ecological imbalances that industrialization has created.

Bobby Nelson is an astronomer who lives in Pasadena, Calif.

HARRY C. BOYTE

Escalating arms budget forces administration to strengthen new right

OMINOUS INDICATIONS OF a new bellicosity on foreign policy have recently emerged from the right and center of the American political spectrum. Against the background of right-wing efforts to raise a huge war chest against the expected SALT agreement between the U.S. and the Soviet Union, Carter administration officials have sought to appease their critics by capitulating to their programs.

The White House sponsored research for the sponsorship of expensive MX missile system. Paul Wankel, articulate advocate of disarmament progress, was replaced by his "right" George Seligson, a retired three-star general, as head of the only government agency designed to "counterintelligence" the Pentagon. Reports were leaked to the *New York Times* that Defense Department and National Security Council officials were "moving toward a vast revision of American strategy on nuclear warfare" that "would greatly enhance the ability to wage a limited nuclear conflict."

Such measures simply fed the right wing. Senate Minority Leader Howard Baker—warning that "Who Lost Iran?" would be a major issue in 1980—joined with Henry Kissinger and Gerald Ford in charging the administration with insufficient support for the Shah. "The geopolitical momentum in that area has turned against us," Kissinger told *Time* magazine. "The more the United States looks out of control of events, the more this process will accelerate."



By mid-January, every major business publication was railing against administration "weakness" around the world. The *Wall Street Journal* summed up the "new consensus" on Jan. 19. Pointing to "trouble spots" for the U.S.—but neglecting to mention the Soviet Union's own foreign policy setbacks from Eastern Europe to India, China and Japan—the *Journal* declared its opposition to what it dubbed "The So-What School" of foreign policy. "There is brewing a vast foreign policy debate that will lay before the public the 'So-What School's' dismissal of geopolitical thinking," the *Wall Street Journal* wrote.

The drive for undisputed corporate control over domestic politics, so salient in the Nixon-Ford years, has meshed with a resurgent militarism among large sections of business. Origins of the new militarism lie in the early '70s. Confronted with the prospect of defeat in Vietnam and mounting economic difficulties at home, the Nixon administration charted a hardline attack against such "liberals" in the foreign policy establishment as Clark Clifford and

Averill Harriman, who argued that the U.S. should cut its losses in Indochina and negotiate to reduce tensions elsewhere. As a counterpart to its domestic program for what Treasury Secretary John Connally called a "new partnership" between big business and big government, Nixon and Kissinger asserted a doctrine of great power politics overseas.

In a world of rising third world demands, trade competition, threats to American prestige, the Nixon-Kissinger design of American policy called for a mixture of threats and bribery toward Russia, combined with a ruthless aggressiveness towards smaller nations that got out of line. This "geopolitical thinking" was epitomized during Christmas 1972 when the U.S. conducted unprecedented and savage bombing of Hanoi and Haiphong, while Nixon simultaneously planned his visit to the Soviet Union.

There was considerable irony in Nixon's demise. His corporate political offensive survived his departure and reshaped American politics in the coming years (see "Quiet Knights: Business Roundtable Wields Immense Power Behind the Scene," IN THESE TIMES, Sept. 14, 1977). But world events proved less susceptible to American control.

In 1976, shortly before leaving office, Gerald Ford ordered an intelligence study of the arms situation. The report, released after Carter's inauguration, had little to do with objective assessments. As *The Nation* pointed out, it was "a stacked jury, chosen to deliver a predetermined verdict" that the Soviets were gaining military supremacy. Similar evidence of militarist propaganda appeared in the bitter controversy over Paul Wankel's nomination as head of the Arms Control and Disarmament Agency and in the campaign for the B-1 bomber.

The May-June 1978 issue of *Public Opinion*, a little-known journal put out by the corporate think-tank of the American Enterprise Institute, ran an interview with Kissinger and Daniel Patrick Moynihan that provided a rare glimpse into the rationale for military escalation.

The interviewer, Henry Jackson's speech writer Ben Wattenberg, began by asking if freedom was in fact threatened around the world. Kissinger had no patience with such mystifications. Freedom was not the point, he said (perhaps thinking of his friend the Shah). Nor was Russian supremacy: "It is an absolute absurdity to say that the Soviets are stronger

than we are."

Kissinger identified three problems. First, there had been a failure of nerve among the elite during and after Vietnam. Second, "there is lacking that base of support which gives leaders self-confidence." And third, there was subversion from within: "the existence of a group in the political establishment who always thought the cold war was unnecessary."

Moynihan enthusiastically added that for him the "great symbolic moment" of the elite's loss of nerve had come in the fall of 1966(!), when students protested Robert McNamara at the Kennedy School in Cambridge. Now, subversives abound—Moynihan pointed to Sam Brown, head of ACTION, as an example, a man who had the gall to meet with the Vietnamese delegation to the UN. Kissinger concluded the interview by suggesting that all was not lost, however. There existed "leaders around this country who could be mobilized" in support of American self-assertion.

Such sentiments are the stuff of imperial ambition. Indeed, in the thinking of the resurgent right, defeat of SALT II will only be a first step. There is to follow a major expansion of military spending, massive civil defense preparedness, perhaps a reinstatement of the draft, and above all a renewed ability to make American "will" supreme wherever it is challenged. This kind of ambition, now surfacing with enormous power, leads as cautious a man as Cyrus Vance to caution resignation if the U.S. becomes "gipped" by a new wave of anti-Russian hysteria.

Resurgent militarism forms a new context for the left and for those who believe in peace and social justice. We need to build support for SALT II—not as a "solution" but because its defeat would be a disaster. But beyond SALT, a peace movement must have more substantive goals. We must demand that Carter's election promises be made a reality—that the U.S. and Russia move beyond limitations on the pace of the arms race to real progress toward disarmament, a halt to arms sales and a nuclear-free world. John Fitzgerald Kennedy put it simply before the UN General Assembly in 1961: "Every man, woman and child lives under the nuclear sword of Damocles, hanging by the slenderest of threads. The weapons of war must be abolished before they abolish us."

Harry C. Boyte is a member of the national board of the Democratic Socialist Organizing Committee.

BOOKS

G. William Domhoff's political wisdom

By Edward Kelly

THE POWERS THAT BE: Processes of Ruling Class Domination in America
By G. William Domhoff
Random House, \$10.00

In examining political power in America, most social scientists have paid little attention to the top of the economic class structure. While acknowledging the existence of "the rich," they have downgraded their power and importance. For these scholars, America is a pluralist society in which shifting alliances of constituencies and special interest groups determine policy.

The work of G. William Domhoff is part of a growing reaction against this pluralist view. Since the publication in 1967 of his *Who Rules America*, Domhoff has argued that real political power is concentrated in a small upper class and its allies. This upper class consists of the 0.1 percent of American adults with over \$1 million in net assets. It effectively owns and controls America's large corporations and, Domhoff believes, is a politically dominant ruling class.

The Powers That Be is an extended essay in which Domhoff provides an analysis of four processes through which this upper class exercises its power.

Through the "special-interest process," the various particular interests of upper class individuals, corporations, and industries are satisfied. This process includes the achievement of tax breaks, subsidies,

and other favors. It is the most visible demonstration of upper class power.

But this visibility is deceptive. It appears as little more than an anarchistic series of power grabs in which different parts of the upper class often are in conflict. According to Domhoff, without coordination, the upper class cannot be a ruling class.

Domhoff argues that such coordination does exist. He examines the "policy-formation process" through which the upper class achieves a high degree of unity on the larger long-term issues which transcend those settled through the "special-interest process." Unity is accomplished through mediation of such institutions as the Council on Foreign Relations, the Committee for Economic Development, the Business Council, the Conference Board, the National Planning Association, and the Population Council. In these, the coordination necessary for the upper class to rule is achieved.

But the "policy-formation process" is not sufficient for upper class rule, because elected public officials must still carry out the policies which the upper class wants. In Domhoff's view, this generally happens because most successful politicians quickly accede to upper class policies, if not from conviction, at least from a compelling desire to advance their careers.

Needing money, connections, and favorable media attention, most politicians develop close ties to some part of the up-

per class. Only a limited number of ultra-conservatives, liberals, populists, and socialists have managed to slip through the "candidate-selection process" controlled by the upper class. Rarely have these few been able to block the overwhelming majority of politicians, only too willing to carry out the special interests and broad policy objectives of the upper class.

Finally, Domhoff examines the "ideological process" by which the upper class attempts to mold the views of the rest of the population so that they will believe that the U.S. is "the best of all possible worlds." It achieves the general resignation of most people and guarantees the smooth functioning of the "special-interest, policy-formation, and candidate-se-

lection processes."

The Powers That Be is an important examination of the politics of contemporary American society. The emphasis on the processes of upper class rule is a fruitful approach toward understanding how so few can have so much power. It provides at least a basis for understanding why voters so infrequently get the policies they believe they are choosing in elections.

Domhoff's analysis offers an alternative to the sense of bewilderment so many citizens now feel. Through his work and that of other critics of the pluralist viewpoint, the possibility of a new political wisdom is beginning to emerge.

Edward Kelly is the research director for the Ohio Public Interest Campaign.

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PERSPECTIVES

The Weber case: blue collar Bakke?

By Laurence R. Sperber

OPENING BRIEFS WERE FILED with the U.S. Supreme Court Jan. 24 in the case originally called *Brian F. Weber vs. Kaiser Aluminum & Chemical Corp. and United Steelworkers of America, AFL-CIO*.

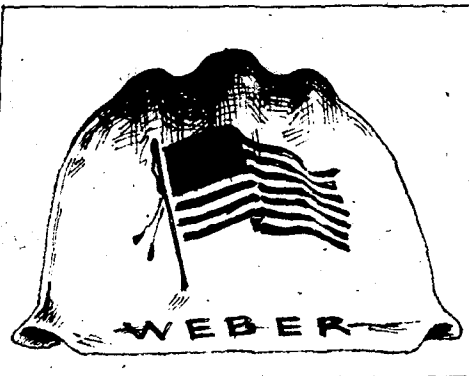
The case brought by Weber against his union and his employer at Gramercy, La., challenges an affirmative action job training program set up voluntarily by the company and the union in 1974 to assist black workers. The program was not ordered by any governmental agency or court.

The U.S. Court of Appeals in New Orleans ruled in Weber's favor last November.

Alan Bakke's legal challenge to a voluntary affirmative action program of the state University of California at Davis Medical School involved state action within the reach of the equal protection clause of the Fourteenth Amendment. Although four Justices agreed that the Davis plan violated the U.S. Civil Rights Act of 1964 (and the rights of white people), the Court decided *Bakke* on Fourteenth Amendment grounds. It held that the use of race to obtain a diverse student body was protected under the First Amendment and did not violate the Fourteenth. But the Court also ruled out fixed quotas if there was no proof of past discrimination by the university.

New York Times correspondent Roger Wilkins reported (Dec. 22, 1978) that Weber was being called "the blue-collar Bakke" because he too was challenging a voluntary program set up to assist minorities. Wilkins noted that in *Bakke* the Supreme Court had not dealt with voluntary affirmative action programs in employment, "although much of the public believes that it did." Will Weber be as famous (or infamous?) as Bakke? Bakke got into medical school. Will Weber get his chance for on-the-job training?

It is not generally known that the U.S. government, acting through Solicitor General Wade H. McCree Jr., had joined



Kaiser and the union in urging that the Court review the case, but had gone on to ask that the court of appeals judgment be vacated for reconsideration in light of the *Bakke* case. McCree's brief stated:

"*Bakke* teaches that the legality of an affirmative action program may turn on the presence of governmental findings of discrimination and the degree of governmental participation in developing the affirmative action program.... The record in this case does not reveal the full extent of the role played by the OFCC (Office of Federal Contract Compliance, Department of Labor) in the development of Kaiser's on-the-job training programs. The OFCC made specific findings and recommendations concerning craft jobs at Gramercy, but these findings were not put in the record.... Thus, a reopening of the record might well indicate that the affirmative action program... could be upheld," because a bona fide government body had in fact found a record of past discrimination. (Citing the Powell opinion in *Bakke*.)

The Court did not follow the government's suggestion in Weber any more than it followed similar cautions in *Bakke*, where past discrimination by the University was also kept out of the record. As long as the Court requires a showing of discrimination in affirmative action cases, it will be the rare case where either party to a suit brought by a white person will rush in with proof of discrimination in the past. The white plaintiff certainly will not prove the defendant's case.

The real parties in interest, as lawyers

say, are not in court—the women, the blacks or browns, who want to see the affirmative action plan sustained because they need the relief.

Not everyone agrees that proof of past intentional discrimination should be required as the test of the validity of affirmative action programs. But the various opinions in *Bakke* suggest that the doctrine is not about to vanish on its own. In the Weber case, Judge Minor Moore Wisdom dissented in the court of appeals, saying that the majority judged the affirmative action program "by the wrong standard." He suggested "a zone of reasonableness," which would encourage private settlements, especially in this case where the statistics constituted "a *prima facie* case of discrimination." Wisdom also argued that the job program may be upheld "as a proper response to societal discrimination against blacks." This latter argument had been made in *Bakke*, and advanced in dissent by Justice Thurgood Marshall, but rejected by the Court's majority.

A post *Bakke* group known as the Affirmative Action Coordinating Center, formed by the Center for Constitutional Rights, the National Conference of Black Lawyers, and the National Lawyers Guild, filed a brief in the Weber case based on Marshall's position. The Center argued that "to require any standard other than the existence of under-representation which has its roots in this country's history of slavery and its legacy of white supremacy and discrimination against non-white people, will eliminate voluntary affirmative action."

Department of Labor people told the *Times*' Wilkins that the Weber case could throw the whole government enforcement program out of whack. Eleanor Holmes Norton, chairperson of the department's Equal Employment Opportunity Commission stated, "What's a poor employer to do? If it acknowledges the past discrimination, which would protect it against a Weber suit, it would be opening itself to the range of liabilities available to employees under the federal nondiscrimination requirements now on the books." She pointed out that most large employers in the U.S. are faced with two major anti-

discrimination requirements. One is Title VII of the Civil Rights Act of 1964, which prohibits discrimination in interstate commerce by employers with 15 employees or more. The other is Executive Order 11246, issued by President Johnson in 1964, which requires nondiscrimination by employers with federal contracts worth \$10,000 or more.

These two programs expose employers to actions by the Equal Employment Opportunity Commission, which enforces Title VII, or by the Office of Federal Contracts Compliance, which enforces the executive order, and to lawsuits brought by any employee aggrieved by an employer's practices. (The lawsuit being brought by former ACLU lawyer Charles A. Morgan Jr. for Sears, Roebuck & Co., seeks relief against EEOC, among other government agencies, "to cut through the impossible conflicting regulations.")

The Weber case has stirred less public interest than *Bakke*, but the briefs filed this time, though fewer in number, are more significant in the range of interests represented. The case will not be argued for some time; Weber's brief is not due until Feb. 26. In the court of appeals, a friend of the court brief was filed for the Anti-Defamation League of B'nai B'rith by its former executive secretary Arnold Forster. Prof. Philip Kurland of the University of Chicago is expected to file another brief for the ADL in the Supreme Court, urging that the Kaiser plan violates the Civil Rights Act. Kurland made the same argument in the brief he filed for the ADL in the *Bakke* case, and four Justices agreed with it. It is this argument that the appeals court accepted in the Weber case, and that the Supreme Court must now review.

But this time the Steelworkers, the AFL-CIO, and the independent unions have joined the major civil rights groups in entering briefs against Weber. If the *Bakke* case is a guide, the Court will deliberate a long time before deciding the Weber case.

Laurence R. Sperber, a member of the New York and California Bars, and Bar of the Supreme Court, wrote on *Bakke* for *IN THESE TIMES* last year.

Where Power Lies

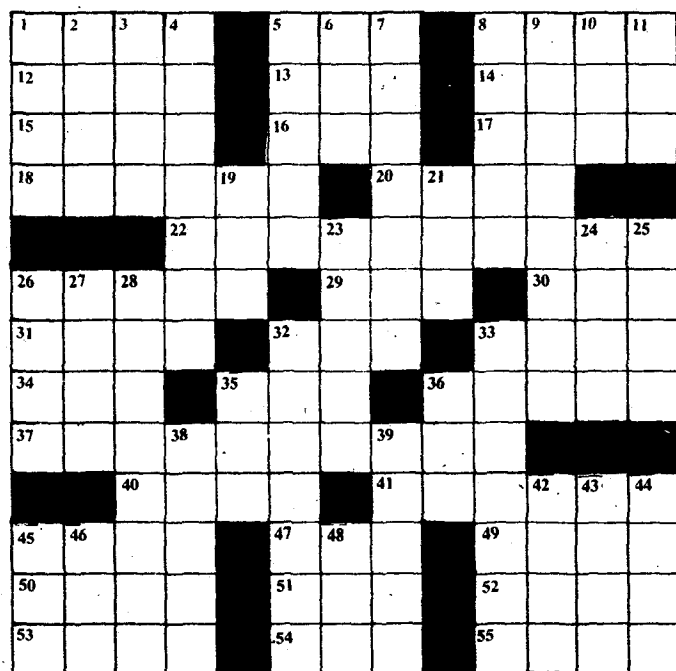
By Jay Shepherd

ACROSS

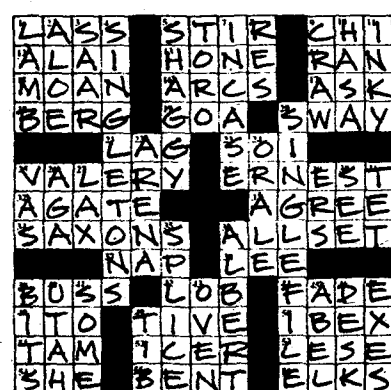
- 1 Iowa college town
- 5 Hansom
- 8 Dueller's weapon
- 12 For fear that
- 13 Ottoman official
- 14 Worship
- 15 Choir member
- 16 Alley cat
- 17 Locale
- 18 Semi-arid grassy plain
- 20 Coalition
- 22 Legislative body
- 26 Tear
- 29 Common conjunction
- 30 _____ the line (obey)
- 31 Fit to be _____ (angry)
- 32 Bikini part
- 33 Sugar unit
- 34 Omelette requirement
- 35 Persist
- 36 Encouraged
- 37 Executive mansion
- 40 Glut
- 41 Homeric sage
- 45 Persian and Siamese
- 47 Play unit
- 49 Shore factor
- 50 Help
- 51 502 in Rome
- 52 Joycean turf
- 53 Simply
- 54 Certain Gal
- 55 Impression

DOWN

- 1 Woe is me!
- 2 Swoon
- 3 Italian noble family
- 4 Prevented
- 5 Provide food service
- 6 Past
- 7 Italian girl
- 8 Medicinal salt
- 9 Shopper's bane, often
- 10 Dine
- 11 Word with evil
- 19 Tiptoe
- 21 Lass's counterpart
- 23 A Key
- 24 "And then there were _____"
- 26 Played golf
- 26 Irish or beef
- 27 Like a kite
- 28 Cashier's equipment
- 32 Guillotines
- 33 Broke, as a wave
- 35 Fido, for one
- 36 Employ
- 38 Word with bud
- 39 Up to the time
- 42 Spare item
- 43 Norse god
- 44 Let
- 45 Type of wheel
- 46 Beame or Fortas
- 48 Fed. group



Solution to last week's puzzle:



The Marxist Educational Press
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Conference begins March 9 at 12:00 noon at the Tangeman University Center, University of Cincinnati. To Pre-register, faculty and employed persons send \$10.00, students and unemployed send \$5.00 to:

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LIFE IN THE U.S.

URBAN DEVELOPMENT

Skyscrapers and ferns create new poor

By Sidney Blumenthal

ECONOMIC CHANGE ISN'T usually greeted by fanfare. It's silent; new arrangements are tailored with ease. Only when an economic fact is symbolized by a steel and glass structure is there a public celebration. The recent gala openings of the Renaissance Center in Detroit and Quincy Market in Boston, for example, were hailed as signs of an urban revival. Cities, however, can't be understood simply by examining glossy surfaces. The nature of the workforce, the attitude of capital, and the development of technology have all wrought changes in American cities over the past decade. An elaborate economic ballet has occurred.

The New York World Trade Center is a fitting stage-set for the urban transformation. From these towers, the hectic multinationalization of capital goes on. Deals for building factories, transferring petrodollars from account to account, speculation in currencies, and plans for corporate mergers are routine matters for discussion in the airy business suites. These monumental structures signify that American cities are no longer accorded special status. They are merely home base, site of headquarters of global corporations, which assay cities by universal criteria. New York is viewed like Sao Paulo, Los Angeles like Singapore, and workers everywhere are just workers. So what happens to the American Dream, that exceptional native vision?

The foundation of the American Dream—the modern fable most Americans strive to realize—was a good job. A good job meant good wages, security, promotion, fringe benefits, an adequate pension. With a good job, a stable life was assured and mobility for children possible. All you had to do was work hard.

Over time, however, the nature of work, especially in the cities, changed. Since 1950, according to Columbia University economist Eli Ginzberg, less than one-third of the new jobs created by private industry could be considered good jobs. Most jobs are bad: low paying, unstable and often part-time. And the number of good jobs declines as white males, who hold the vast majority of these posts, retire; attrition takes its toll.

Filling the bad jobs are the makings of a new city proletariat composed of women, illegal immigrants, youths, and minorities. These groups constitute a secondary labor market. Their multiplication is a token of capital's multinationalization. The gap between America and less developed countries is narrowing in an unexpected manner.

Bad jobs, new poor.

Secondary workers shouldn't be confused with the traditionally poverty-stricken, so familiar since the publication of Michael Harrington's *The Other America* in the early '60s. Secondary workers are a relatively new product of the late '70s; they will proliferate in the '80s. In fact, they will serve as much of the workforce constructing the facade of an urban renaissance that is reputedly being built by ambitious professionals.

Bad jobs are replacing good jobs. Women and youths (who together comprise 80 percent of the increase of the workforce from 1950 to 1976) and illegal immigrants (who mostly aren't counted by government authorities) stream into the job market. As manufacturing jobs decline, service jobs increase, according to Ginzberg. In the past quarter century, more than 60 percent of the new jobs created were of this sort; and as Ginzberg emphasizes,



Richard Stomberg

The cities must decay before developers can save them. Behind the facade is a new proletariat, with unstable, low-paying, part-time jobs.

these jobs are typically bad. The difference between good and bad jobs can be tabulated exactly: service workers averaged \$146 a week in pay in 1976 while construction, mining and transportation workers took home between \$258 and \$284.

Government workers, however, earn more than parity with industrial laborers. In 1975 they garnered more than \$1000 more than their industry counterparts. The reason is that after World War II, local, state and federal governments adopted the definition of a good job offered by unionized industry. Ginzberg says that fully two-thirds of government jobs are good. Yet, in the era of Proposition 13 and fiscal crises, there are attempts to put a ceiling on the amount of money government workers make. Also, their numbers are being severely limited. In the future, it's likely that this market of good jobs will contract.

Neoconservatives take an optimistic view, even a Panglossian view, of this situation. Harvard sociologist Daniel Bell believes that the knowledge sector composed of universities and high technology firms will play a heightened role in social decision-making. Yet even in the touted knowledge sector the job market is going bad. Young academics typically vie with each other for two-year contracts instead of tenure. With an oversupply of Bell's post-industrial shock troops, universities have a vested interest in downgrading their employment tracks.

Best of all possible worlds.

In a cover story in the Jan. 14 *New York Times Magazine* entitled, "Discovering the City: A New Elite Sparks an Urban Renaissance," the neoconservative argument was laid out in detail. The *Times*

article argued that New York City was being revitalized by an influx of young professionals and a slight outpouring of the poor. "Urban experts and politicians are beginning to understand that only the middle and upper classes—not the poor—can rebuild the cities," the *Times* piece said. The tract was glowing in its description of multinational capital flowing into New York and depicted the poor as culprits in the city's fall from grace. This Social Darwinist cant is apparently the new conventional wisdom.

As the secondary labor market expands, along with an increase in bad service jobs, capital realizes that it doesn't have to deal with an organized force of secure workers. A rooted workforce is no longer seen to be in capital's interest. Capital prefers a fluid situation, in which workers are more easily replaceable, like gears on a machine. Ironically, cities become better places in which to do business because of their debasement. Cities had to be neglected before they could be saved. Boston's waterfront couldn't have been renovated into a bustling area of skyrocketing real estate values unless it had been previously run-down.

Of course, not all urban areas are experiencing revitalizing twinges. Older, medium-sized industrial cities in the Midwest and the Northeast continue to suffer debilitating contractions. Many industrial towns are emulating the fate of Youngstown, Ohio, where the main industry, a steelmill, closed down.

Michael Pertschuk, chairman of the Federal Trade Commission, suggested in Senate testimony in July, 1977, that conglomerates might be a dubious enterprise. "If there were significant economic efficiencies to be gained from conglomerations, I might view these problems some-

what differently," he said. "But the best available evidence seems to suggest that conglomeration is generally not characterized by major new efficiencies."

From the neutral position of a government regulator, multinational conglomerates might appear inefficient. But from the standpoint of capital that's not the question. Capital closes down factories in medium-sized industrial American cities because, on an international scale, they are inefficient: American workers, after all, do earn more than those in Brazil. Behind decisions that have maimed cities like Youngstown is the fact of capital's multinationalization.

Boutiquing cities.

Business Week foresees a new world order with "hidden strength for the U.S., more erosion for Europe and Japan, and faster growth for the less developed countries." Capital's investment in less developed countries runs to at least \$6 billion a year. But as capital expands its frontiers, it also centralizes: it regroups in the cities.

What's happening now provides a glimpse into the '80s, where urban centers with a service-oriented workforce become more attractive to capital. The urban renaissance is outwardly festive. The cities are being boutique'd. Boston's Quincy Market is a fine symbol of the gentrified city, where decayed working class neighborhoods are being "upgraded" by young childless professionals. Quincy Market is decorative, a stylized version of retail trade. Yet it also signals the shift to the increase of low-paying service jobs in the city.

Working as a clerk in a specialty store in Quincy Market might be more chic than in Filene's department store, but the essential nature of the work remains the same. The Faneuil Hall Officeplace, part of the Quincy Market complex, advertises: "Airy, high-ceilinged offices elevate every firm's reputation. And the shops, the galleries, the restaurants and the cocktails attract just the people you've always wanted to hire."

Capital keenly understands that the American Dream is vaporizing, so it's returning to the cities to take advantage. Meanwhile, neoconservative ideologues are trying to make political capital, blaming the victims and lauding the victors. ■

ART «» ENTERTAINMENT

CONFESSIONS OF A

An Interview With
Andrew Sarris



MIDDLE CLASS FILM CRITIC

By Albert Auster
and Leonard Quart

At the end of the conclusion to your introduction in POLITICS AND CINEMA, you state, "My aesthetics have been my politics all along."

I always felt I was one of the art-for-art's-sake boys, and then I found out, as I was viewing more and more things, political considerations kept coming in—in themselves, in respect to the audiences, the critics, the community at large. There was a closer tie between my particular tastes and my political convictions than I had realized. Politics crept into everything, into sexuality, into what stars you liked, into what genres you liked....

But on the whole, I would say that I do not approach film systematically, but intuitively. There is certain Marxist art I have endorsed, such as some of Rosi's films [e.g., *The Mattei Affair*]; and a great deal of Brecht's work is interesting, although many Marxists would consider it problematical. Most serious film art has been of the left—right wing people don't deal in art. They have other means of persuasion. But people of the left are concerned with art and so consequently the preponderance of bad political art would be there, just because more people are involved in it.

In the piece on STATE OF SEIGE, you say, "There is Art and Rev-

olution, and I choose Art."

Well, I'm a bourgeois, a middle-class intellectual. I work at the *Village Voice*, I teach at Columbia. I'm not out in the streets, I'm not out organizing people (even if I wanted to, which I don't). I'm basically a liberal meliorist, trying to improve things gradually, trying to get people

"Politics crept into everything, even the star you liked."

out to vote for better people. I'm one of those people who said we should have voted for Humphrey in 1968, not let Nixon come in by default.... I'm concerned with a relatively stable world in which the arts and culture can survive. I think a revolutionary world would be a world of complete upheaval. Whether the arts would survive in such a world, certainly whether criticism would survive in such a world, I don't know.

One could point to Cuba. Within certain ideological limits, there is a range of films coming out of there.

Cuba, I think, is now being cited by people as a fairly benign example of the situation. Certainly more than Russia or China or places like that. I think that in Cuba there is perhaps somewhat less—well, somewhat more opportunity. And I don't want to

take the simplistic view and say that there is no ideological control in right-wing and even in democratic countries. There is, but it's of a different order....

You have criticized sociological critics for their emphasis on the content, the what of film rather than the how.

I think the problem with sociological criticism is that it's very difficult to do. It's very presumptuous. Very often you have sub-critics, people who are not very good, doing sociological criticism. I think it takes much better critics to do it than to do aesthetic criticism.

I find it much easier to say whether a movie's good or not than to say what its impact is on everybody in the audience. I'm never quite sure of that, I'm never quite sure what signals people get from films. It's a very complex area. You have to have a great deal more knowledge. I don't say you have to do mass research, but you have to go into a great many other areas than the cinema—into crowd psychology, into people's private attitudes, and all their other frames of reference.

The great critique of sociological method is not that it shouldn't be done but that it's been oversimplified in the past. I think the tendency for sociological critics is to get a bunch of films and take the synopses of them. From the synopses they deduce the social content. Now the fact of the

matter is that some movies have much greater impact than others, because certain values come more to the fore and are more convincing, and some movies have no impact at all. Sometimes people can draw different conclusions from a film than its apparent ideology would indicate.

What I object to is a simplis-

"Noir films convey people's dark, anarchic feelings."

tic idea that *They* out there are doing it to *Us* in here. It doesn't quite work that way. The filmmaker has people above him and below him and a subculture in California and his audience out here. Also there are different audiences, different subcultures. So a sociological critic has the burden of explaining all this complexity.

Some Hollywood films, coming out of a capitalist matrix, might have some subversive content.

I find Hollywood film a fascinating sociologically, much more than people realize. People talk about the happy ending, but the happy ending can be very hollow. And these films, say, about people who get a house out in the country but everybody is gouging them and they have trouble getting money—it's a hellish view of American life.

The great appeal of *noir* films is that they show the underside, not the official view of American society. All these wretched people around the edges, these worms and moles and gnomes working on the underside of the

"The semioticians act like an appellate court."

culture, you get an idea of the dark side of a society. And the violence conveys the dark violent anarchic feelings people have.

This is a violent, anarchic country. People have tremendous hostility, and it's getting worse. Very few people are voting; people are very cynical about everything and everybody. Very destructive, dangerous—but it's there.

Nowadays of course there's very little official culture, so the sky's the limit. I don't think that's necessarily constructive; a lot of it's very damaging. But I think it is and always has been subversive.

Movies are subversive in the sense that they deal with people's psychic needs.

How would you respond to a hypothetical charge by a semiologist that your criticism is subjective, unsystematic and individualistic?

I would plead guilty, on the whole. A lot of my work has been intuitive. I find we have a long way to go before we can codify what film really is. The means we use to describe it are completely inadequate. I've never written anything on a film that I feel apprehends it.

The question is, are the semiologists doing any better? And I think they touch on interesting connections. A great contribution of semiologists is the understanding that the number of words that exist to describe something in a language restricts the definition of others, that it must all be seen contextually. And I do

believe also that for cinema you cannot talk about one film individually.

My reservation is that the instruments semiologists have used up to now have not been supple enough to handle the multiple perspectives of film.

Also, one of the big critiques of the semiologists and the Levi-Strauss crowd is that by presupposing a structure—a model they build—they can inevitably find connections, because they are defining things in such a way that they can always find them.

I think we, the auteurs, discovered new cinema; we discovered things from the past that had been neglected and ignored. I think these people act more like an appellate court. They don't introduce much new evidence. They use the taste that's established and proceed to use a new method. They're not very active journalistically, most of them. It's still rather new, and I don't want to issue a philistine cackle.

"The past interests me much more than the present."

But what I'm afraid of is that there isn't much communication between them and other people. It's a politics, everybody preaching to the converted, and all closed off. I would like more debate, but I find it very closed off at the moment.

Your book gives the impression that you care about politics, which is very different from many people who have taken up your auteur theories.

I wouldn't characterize people who followed me as being apolitical—they are political in different ways. Some are feminists and Stuart Byron is very close to gay liberation. Many are left, some are right.

I think what we felt in my generation was that a group of humanist critics, for instance, Bosley Crowther and Sigfried Krauer, had paid so much attention to content and social ideas that forms were completely ignored. And we had to make up for all this lost time. In catching up, we gave the impression that we were little dandies running around talking about tracking shots.... But it's no worse than talking about the lack of adjectives in Hemingway. We wanted to end stylistic illiteracy.

The auteur theory may turn out to be more of a historical tool.

I'm very much into the past. In fact, the past interests me much more than the present. And the future—the future doesn't interest me at all. I think the future is boring. But the present I find very chaotic. I'm always concerned with the classical tradition of the future. The semiologists presume to stand outside history, but I see myself as standing within the historical process.

To me, everything is swirling and we are possessed by the past. We cannot escape it completely. That doesn't mean we should just accept the past; I think we should move forward, but in a skeptical spirit.

Albert Auster is an editor of Cin-easte; Leonard Quart is an editor of Marxist Perspectives. This interview took place on WBAI radio in New York, and the interview in full will appear in Cin-easte.

FILM

The film critic criticized

By Pat Aufderheide

POLITICS AND CINEMA
by Andrew Sarris
Columbia U. Press, \$12.95

Andrew Sarris (of the *Village Voice*) is, with Pauline Kael (of the *New Yorker*), one of the most influential and serious film critics we have. Unlike most reviewers, they are both consistently concerned to put movies into a wider context. They both know movie history, they both have an elaborate set of Western cultural baggage, and they share a passionate love of going to the movies.

That they detest each other merely adds a little zing to the New York reviewers' scene; and the writing style of each hints at their personality conflicts. Kael is immediate, gutsy, slangily sociological, while Sarris is stuffy, particular, and witty in a way that suggests he can be endlessly amused by his own alliteration. While Kael never turns her criticism into theory, Sarris is a compulsive theorizer, best known for his assertion of the *auteur* "theory," which asserts the primary importance of a director in determining the style of a film.

In *Politics and Cinema*, Sarris reaches a new high in pomposity. In an introduction that attempts to explain why a critic not known for his political acumen wants to define his latest collection of essays as political, he sinks into grandiose gibberish: "Much of the critical discourse of the past half century has been involved with the sometimes fruitful and sometimes frightful tensions between fact and fiction, reality and truth, sincerity and authenticity."

That over, he settles down to say some interesting things and to make clear why his critical work is important even though it may not have the importance that he ascribes to it. Like Kael, he sees movies as a major American art form, and he identifies evolving styles of expression within the commercial mainstream. And he also has a fairly reliable bullshit detector.

Sarris can point accurately to the effect movies have had on other modern art, and he suggests in an article on semiotics: "One has only to flip through a few pages of *Gravity's Rainbow* or *Ragtime* to realize the extent to which cinema is repaying its debt to literature." He can as well explore the effects of movies on our everyday assumptions, as when he discusses "The Nasty Nazis": "In a sense, every narrative, dramatic, and documentary 'treatment' of the Holocaust only cheapened it and made it more titillatingly thinkable."

Message films bring out his most coy impudence. He speaks undeniable truth with the courage of a little boy denouncing the emperor's new clothes. "Even the converted," he claims, "stay away in droves from the cinematic ceremonies of political revivalism." He is often right in attacking simplistic social message cinema, and especially right in suggesting that reductionist message films can have the opposite effect that they intend. In a sustained snipper attack on *State of Siege* he declares that "If [Costa-Gavras and Solinas] do not rationalize

or justify assassination by the Tupamaros, they certainly romanticize and sentimentalize it." And anyone who has had to sit through Francis Ford Coppola's *The Rain People* will sympathize with Sarris' tired complaint: "People who go out looking for America always seem to know in advance what they are going to find. Alienation and Anomie, Loneliness and Lethargy, Late Night Whining and Daily Paranoia."

Whether or not you like the tone, the remarks are acute, and too rare in popular film criti-

that, like Uruguay, practice "some form of repressive torture."

Sarris fears the loss of his first amendment rights, which guarantee him the right to do something that he himself sees at times as frivolous. He argues persuasively that self-interest motivates his pluralism, that "the very flawed system in which I matured turns out to be essential to my continued existence." He is an artist, complete with muse, sanctuary, and a "proper role."

Sarris is frequently right in puncturing romantic left fantasies lingering from bygone demonstrations. But, like his *auteur* theory, his political statements are too grand and sweeping. He reduces the left to a gross caricature, and is left sitting prissily on an existential island:

"I prefer to see left and right as arbitrary points on a circle of human illusions rotating endlessly around lonely, alienated exiles from Eden in search of a meaning to life before the darkness of death... Art and Revolution. Choose One. I choose Art."

From his personalist confessional, only overtly political arguments and acts register as political. Sarris makes a simple equation between politics and government, between political film and didactic message, and between democracy and freedom of speech.

But if Sarris' definition of politics is perhaps most interesting as a self-definition of the artist in a bourgeois democracy, his film criticism still bears reading and rereading. In part, it's because of his enthusiasm for and broad understanding of the film medium. And in part it's because of his iconoclasm, even if it is self-important. He'll never endorse a film because it's "correct," although he will defend to the ticket office your right to see it.

Sarris' essays take liberal analysis of film about as far as it can go. *Politics and Cinema* thus makes clear the need for a socialist film criticism that can transcend killing moralism. His work, and its limits, suggest the need for a criticism that can comprehend the social arrangements that bound our modern art, and the history of that art in itself, as well as the sexy, idle fun of being at the movies. ■

CONFESSIONS
OF AMIDDLE CLASS
FILM CRITIC

Sarris takes liberal analysis of film as far as it can go.

cism. But linking all the pieces in this book together with the concept of "politics" forces the pieces into a mold that doesn't always fit. It also reveals some cheap assumptions about politics on Sarris' part.

Take one of his opening statements: "I prefer tinkering with society to smashing it to smithereens." It's a familiar false opposition: either vote every two years or throw a bomb. That caricaturing runs throughout the book. Many of his arguments depend on a devilish stereotype of the left, an entity with "apocalyptic fantasies," believing that elections are "not nearly as thrilling as the monster rallies in Moscow, Peking, Havana and Hanoi." If things are not better in commieland, he argues, then you can't knock it here. He wonders if Algeria, Cuba and North Vietnam are not also "dictatorial regimes"

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FILM HISTORY

Movie gangster a social mirror

By James Gilbert

Do film characters portray the hopes, aspirations, angers and frustrations of the audiences who flock to see them? If so, American film culture reveals, among other things, a national obsession with gangsters, killers, gun molls, cowboys, desperate virgins, angry teenagers, and soldiers of fortune. To be sure, such fantasy heroes and heroines are the stuff of which escapist entertainment is made. But more than entertainment seems involved in the uniquely American gangster film, a genre that has persisted since the first days of movie making.

In his book, *Born to Lose* (Oxford, \$19.95), Eugene Rosow sees this genre as a barometer of the social history and the business ethics of the U.S. Rosow divides the history of gangster films into three parts. He first traces variations in plots and the varieties of crimes and criminals portrayed. He then discusses the way contemporary social history is reflected in the films, stressing the connections between the key events of a decade and the mode of crime portrayed.

Finally, he suggests that the shadowy, half-criminal, half-business worlds depicted in the films are partly constructed from the careers of important Hollywood moguls and from the experience of the industry itself.

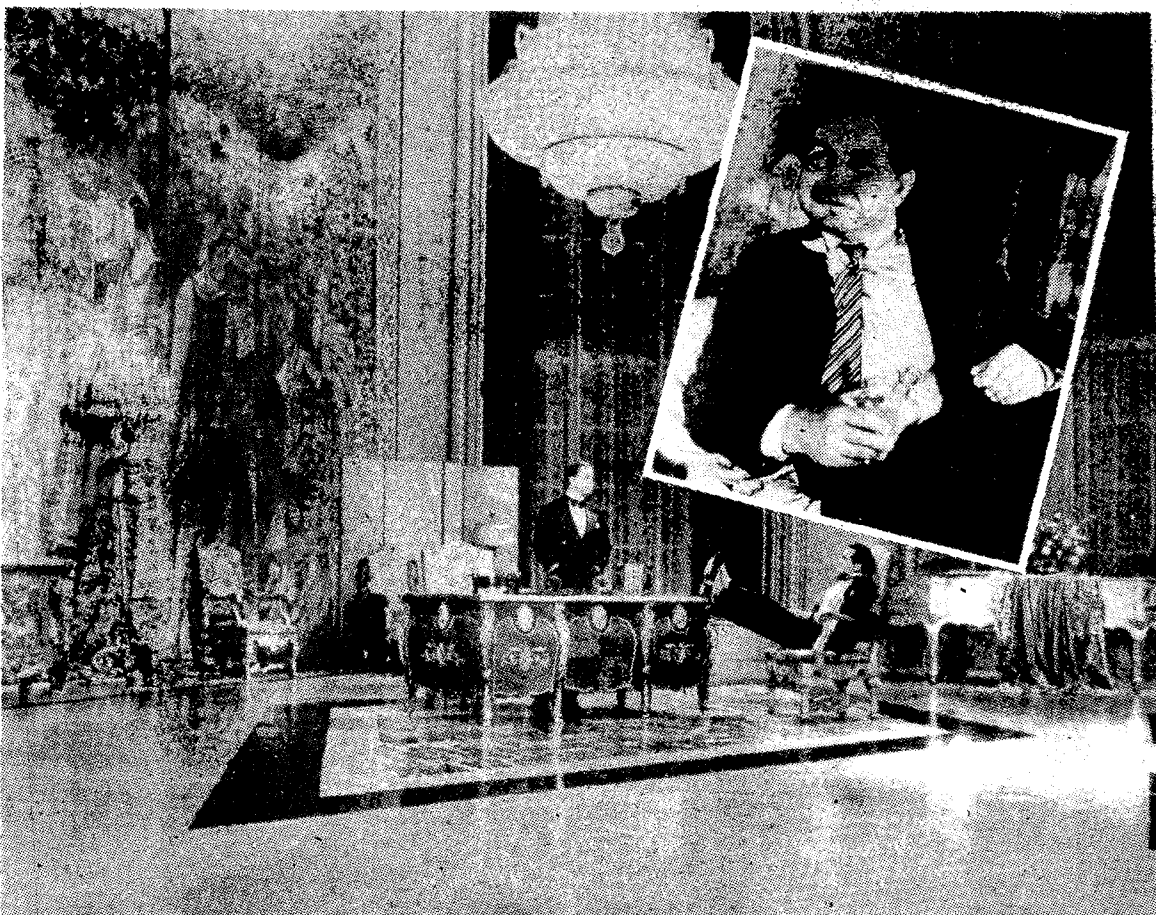
The gangster film expresses at least two different and contradictory images of American life. One is an ideal of democracy and camaraderie, exemplified in films where heroes feel ethnic solidarity, love of family, or loyalty to class. Here they are modern Robin Hoods rather than bandits or killers. Such figures have particularly strong ties to another impor-

tant American film hero, the cowboy, who defends shepherders against monopoly cattle barons and homesteaders against murdering gangs.

But the benign element does not predominate the gangster image: emerging from a real Eastern world of city slums, poverty and industrialism, the criminal is a man who chooses a violent short-cut to success. The result, according to Rosow, is a disturbing double image of the modern American as someone who personifies democratic aspirations, but most often lives by the violent instincts of American capitalism.

Since its early appearance in silent movies, the gangster film genre has undergone a number of changes. Its development, as well as the increasing glorification of the criminal hero, reflects the real and growing importance of crime in American life. Rosow suggests that film criminals also reflect the experiences of the giants in the film industry. Several owners of major studios—William Fox and Harry Cohn to name two—grew up in New York at the periphery of slum life crime. Their meteoric rise to power and fame is matched by the rise of film gangsters from the slums—with one significant difference: they retained their movie empires and lived lives of incredible luxury, whereas the American public and the industry Censorship Code demanded that film criminals be expelled from their positions of momentary power. Most die an ignominious death.

Gangster films produced before 1920 usually focused on the immigrant backgrounds of the criminal. After the 1920s, movie sets became lush, cars bigger, and crime more intricate and organized as movie thieves and bootleggers strove to match the



The gangster's rise and fall was traced in his dress and furnishings (above, Edward G. Robinson in penthouse and, insert, after *Little Caesar's* fall).

extravagant consumption of the very rich.

With the coming of talking pictures, the urban outlaw reached his zenith in such films as *Little Caesar* and *Public Enemy*, and the development of the genre was completed. But in the mid-'30s, bending before immense pressure from religious and law-enforcement groups, the studios ended their lionization of criminals. The gangster hero—with very little change—was transformed into a G-man who now turned his guns to the service of law and order.

In the 1940s and early 1950s such characters were easily enlisted in film struggles against Nazis and Communists. A number of movies in this period depicted FBI men breaking up sabotage rings or uncovering subversion.

Following an important change in the history of organized crime, however, the 1950s gangster film also increasingly portrayed the Mafia ("syndicate" in film parlance)—America's first multinational crime corporation. A final development of the 1960s and 1970s returned to the humble origins of the criminal. Rosow ar-

gues that films such as *The Godfather I & II* reflect a nostalgia for family life and immigrant history.

Sharper focus.

Although this is an excellent book, the author might have sharpened his conclusions with a discussion of British and French film history where there are very different but interesting traditions of depicting criminals. He also might have asked whether the gangster film is not sometimes an unconscious satire of American business and social mobility—a bleak but critical look at the American myth of success.

These films seem to say, over and over, that the rise from humble origins exacts great cost and violence. The exaggerated vulgarity of movie Al Capones and Little Caesars, who appear grotesque in the elegant social worlds to which they aspire, shows the rise from rags to riches to be illusory and impermanent. For a moment the audience can experience the luxury and elegance promised by the American Dream,

but they know that the dream is impossible and filled with danger.

Nonetheless, Rosow's attempt to link movie-criminals to American social history is an important one, and it tells us a great deal about the place of the gangster genre in popular culture. The photographs that fill the book eloquently illustrate the development of the genre and demonstrate the links between criminals and the business elite whom they emulate. The sumptuous offices and palatial nightclubs are constant reminders that the rewards sought by legitimate and illegitimate business are the same.

But, as a mythic caricature of the criminal and the successful capitalist, the film gangster must always fall after his moment of glory. Any hint of permanent success would come dangerously close to real life where the boundaries between the underworld and the business world are sometimes too indistinct to see.

James Gilbert teaches history at the University of Maryland and is writing a book on the history of film censorship.

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BROADCASTING

Carnegie II dips toe into TV swamp

By Joanna Foley

E.B. White once said public television should be our "Lyceum, our Chautauqua, our Minnisky's and our Camelot." More recently *TV Guide* saw it instead as our "Sargasso Sea and our La Brea tar pits." And two weeks ago in New York, it was called "Our vision of nirvana that, at its best, offers sublime moments," by Dr. William McGill as he released a major new study, *The Public Trust*, from the Carnegie Commission on the Future of Public Broadcasting.

Produced in response to the rising national debate on public broadcasting, the 400-page report is expected to influence pending congressional legislation. According to McGill, president of Columbia University, and his 16 fellow commissioners (five women, two blacks, one Latino), they worked for 18 months on the study to identify the major problems of this system that supposedly serves people, not profits.

Like a troubled adolescent, the 11-year-old public television system is afflicted by a scarcity of funds, too many bosses and too little freedom, not to mention isolation from the real world. The system is unhappily dependent upon its financial providers—Congress and the corporate sponsors who fund an estimated 70 percent of prime time shows. The result is that most public broadcast programming is unimaginative, spiced by occasional documentaries and frequent British imports, and interrupted by fundraising auctions.

Some citizens have switched off, but many others, including community groups and independent creative people, are speaking out instead. In response to their demands that public broadcasting begin to serve the public, not just the rich, the Carnegie Foundation launched the Commission with a \$1 million grant in 1977. The group conceived of its mandate in essentially liberal terms: to help public broadcasting serve as "some form of healing force that balances all the factional striving for narrow interests."

Politically palatable.

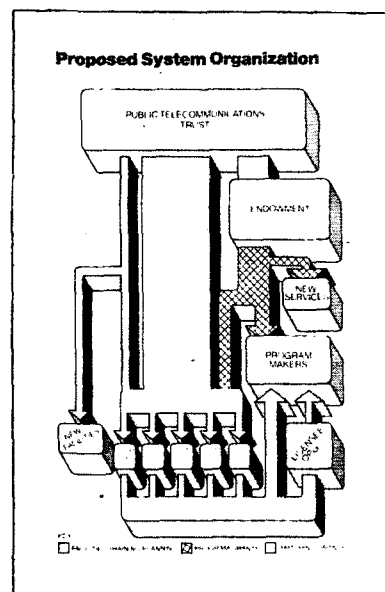
The recommendations of Carnegie II are being watched carefully by media and community activists because they possibly may be as influential as the report of an earlier Carnegie Commission, which became the basis for the Public Broadcasting Act of 1967. Members, in fact, were most likely chosen for their ability to frame proposals palatable to Congress and the President.

They included John Gardner of Common Cause, a former HEW secretary; Walter Heller, an economist who formerly headed the Council of Economic Advisers; Bill Moyers, the television journalist and former assistant to Lyndon Johnson; and J. Leonard Reinsch, chair of Cox Broadcasting who served as communications adviser to Kennedy and Johnson. Other members includ-

ed Peggy Charren of Action for Children's Television, Kathleen Nolan of Screen Actors' Guild and Alex Haley.

First, the Commission called for a three-fold increase of federal support for public broadcasting by the mid-1980s, bringing the total up to \$1.2 billion with \$590 million to come from federal funds. This would elevate government support to \$5 per capita, a level comparable to that at which Britain and Japan support their public broadcasting systems. The vision of a larger, more independent and better financed non-commercial broadcasting system will probably receive support from everyone except the most die-hard of competitive commercial broadcasters—and some congressional leaders who insist on belt tightening.

But the specifics of where the money will come from and how it will be used are more controver-



If commercial broadcasters pay a fee for use of public airwaves—on which they make \$10 billion—the funds could subsidize public television.

sial. Carnegie II recommends offsetting \$200 million of the increased federal expenditures by charging commercial broadcasters a spectrum fee for their use of public airwaves. The National Association of Broadcasters has already protested. This proposal is expected to draw heavy opposition from the commercial broadcasting lobby, although McGill explained it in terms that would persuade the average person.

"Oil companies pay for leases on public land which provide them with enormous benefits, so what's good for them should be good for America's commercial broadcasters," he said. "The industry makes \$10 billion in revenue off the public's airwaves and pays not a dime for their use." This recommendation is favored by Lionel Van Deerlin, the California Democrat who heads the House Communications Subcommittee.

Carnegie II also calls for structural changes in public television, replacing the Corporation for Public Broadcasting with two new national organizations. The Public Telecommunications Trust would set policies and evaluate



The Carnegie Commission report, headed by William McGill (upper right), does not please many independent video and filmmakers, like CETA crew (below).

performance; programming would be handled separately by the Program Services Endowment.

Hands off?

Ostensibly, the structural changes were suggested to protect public broadcasting from the political interference that occurred during the Nixon years. Its budget was vetoed in 1972 and attempts were made to curb political commentators such as Bill Moyers and William Buckley. The new plan supposedly would protect the system's independence because some non-presidential appointees would

accurately, according to former FCC chair Nicholas Johnson. "The report itemizes the major problems of public broadcasting—its insular quality, its establishment control, its oppression of independent creative people," he said. "As for Carnegie's solutions...." Johnson then remembered his mother's admonition that if he couldn't say something nice, he shouldn't say anything at all.

Other media activists were more explicitly critical. The national debate on public broadcasting that women, minorities and community groups initiated

board members, we wouldn't be present at all." And despite new requirements that local stations must observe EEO regulations, Perez reports that WNET has no Hispanics in management or administration. NOW's Kathy Bonk says that women also have trouble crashing through "old boy" employment barriers.

Approach—avoidance.

Carnegie II received cautious praise from Van Deerlin, Carter and PBS leaders Newton Minow and Larry Grossman, but several activists believe the report avoided some problems at the heart of public broadcasting. For instance, who runs the 268 local stations?

"You can have better programs being made under the new programming endowment, but if the boards don't choose to put them on the air, what good does it do?" asks AIVF's Halleck. She believes that the only way to ensure diverse programming is to have diversity on the boards, which now consist of business people and upper class cultural types. As McGill put it, "They're influential citizens, people who can attract talent and money."

NOW's Kathy Bonk finds that some women board members don't represent the needs of working women because they're dilettantes who spend their lives volunteering for civic and cultural boards. Not one board has a labor representative. Only recently have some boards such as Washington's WETA begun allowing the membership to elect a few representatives.

"The money that corporations give is another real problem," notes Paulsell of the National Taskforce. She believes that corporate sponsors should be allowed to contribute to a foundation for programming but not to put their names on particular shows from which they derive enormous PR benefits.

Although corporations fund only 10 percent of total programming (but a much higher percentage in prime time), she says they can still exercise a chilling effect on a station's program choices: "Local stations always need money, so they don't air shows that might alienate local companies."

Public broadcasting could still become the "radical idea whose time has come," as McGill described its potential. If it hasn't worked out that way so far, media activists still aren't giving up hope. This spring in Washington they will testify before Van Deerlin's committee, pointing out where Carnegie II did not go far enough: public broadcasting needs more than additional funds and a few structural changes at the top. ■



balance presidential nominees on the Trust's board. However, it may actually have been designed to attract Carter's support for Carnegie II since he is known to worry that public broadcasting could become a mouthpiece for the federal government.

Some observers question, however, whether political insulation is either possible or desirable. "How can public broadcasting ask Congress for \$300 million more in a time of tight budgets and expect to be completely insulated? Congress will want some control—as well it should," said Albert Auster, a *Cineaste* editor.

"Taking public TV away from congressional control would only make it more elitist," agreed Dee-Dee Halleck, president of AIVF (Association of Independent Video and Filmmakers), a national group of producers, writers and directors. "I don't have that much faith in Congress, but it had some mechanisms we were able to use for small changes. This new structure would mean that a smaller group that is not responsible to the American people would exercise control."

The Commission at least identified the major problem areas

at the grassroots level may soon reach a conclusion—this year or in the next couple of years as Rep. Van Deerlin attempts to rewrite basic communications laws. Many activists believe their concerns have not yet sufficiently been taken into account, at least not by Carnegie II, which was a "prudent commission with very well-modulated views," as even McGill admitted.

Some progressive changes were won under new legislation passed in 1978. "Now at least local board meetings are open to the public and some financial records are open," says Karen Paulsell, a San Francisco student associated with the National Taskforce on Broadcasting. "Planning grants, which can be a boon to minorities, are available and 50 percent of programming funds must go to small independent producers."

Yet local activists claim that, so far, progress may be more apparent than real. Recently, at the first open board meeting of New York's WNET/Channel 13, says Tony Perez, a Puerto Rican media activist, "it was clear that we were there to observe, not to participate. If it was up to the

A 19th century valentine from the Emma B. Hodge collection, Art Institute of Chicago. Hodge created the first such designs in 1849.



THE HEART MARKET

By Michael Massing

Want something expressive on Valentine's Day for that special someone, a creative reminder of your enduring affection? How about a greeting card bearing a gauzy photograph of a slender woman standing alone on a sun-kissed beach, contemplating the waves and eternity? "It has been wonderful," reads the tender message inside. Or perhaps you'd prefer a warm picture of a tall man with sensitive eyes who looks out over a rugged plain, thinking, as the card's greeting intimates, "There's only you."

Among those in the card business, such lush romanticism is known as the "soft touch," and whether that description is ascribed to the mood of the cards or the customers who buy them, they demonstrate that the "me" generation has made its mark in the greeting card world. Introduced, fittingly enough, in the early 1970s, the cards have by now become a fixture on the racks of supermarkets, drug stores and card shops across the country. Though appealing especially to blissful teenagers on such occasions as Valentine's Day, the look has invaded all classes of cards, from the predictable anniversary and birthday messages to the less obvious category of sympathy cards.

If you haven't shopped for cards in a while, you might notice a few changes. For one thing, black faces now appear on "Dear Mom" and "To a Fine Grandson" cards. And, if you live in a major gateway city, you're likely to find cards for "querida amiga" to be given on this, "el dia de San Valentin." Spanish-language cards present special problems for dealers, since the major Hispanic groups in this country—Chicano, Puerto Rican, Cuban—all speak different idioms. Sales trends indicate, however, that whatever their national origins, Spanish-speaking Americans have embraced the century-old Anglo-American custom of Valentine's Day card-giving.

Outlets in urban shopping districts are now likely to display x-rated cards that, though not wrapped in brown paper bags, are every bit as obscene as the flesh magazines that are. While they usually rely on that old standby of off-color cards, the double entendre, the jokes in these pornographic greetings are accompanied

by explicit graphic material. One, for instance, blares on the front, "A Valentine's Day Toast to a Guy Who's a Real Music Lover..." which opens to the punchline, "May your organ never quit while you're in the middle of your favorite piece." The accompanying drawing does not depict a musical instrument.

Other signs of the times have made their way into Valentine's Day cards. Environmentalists can buy cards produced by a Chicago-based company called "Recycled Paper Products, Inc.," that declares on the back of its items that "no trees were destroyed." And the major card companies, while still cracking open trees to get at the cards within, have made a concession to the age by introducing a new line with titles like "For Both of You," so that parents no longer need send a cumbersome "For You and Yours" card to their son and his male or female lover.

Every year new, often tiny, operations spring up throughout the country, contributing toward the \$1 billion in sales registered by the greeting card industry annually. "This is one of the few industries in which a guy who is a clerk in a bank can print up a few thousand cards and sell them in his own neighborhood," says Milton Kristt, editor of Greeting Cards Magazine.

The U.S. greeting card industry, however, is not a model of competition. As often as they spring up, small card producers fold, victims of the marketing power brought to bear by bigger firms. While bank clerks might be able to find a niche in their local neighborhoods, national distribution is controlled largely by six major companies. And those six themselves are dominated by the giant Hallmark Cards, Inc., which accounts for about one-third of all card sales in the U.S.

While Hallmark prefers to be identified in the public mind with the hearts and holly sprigs that adorn its cards, and with its award-winning Hallmark Hall of Fame television series, the company is in reality a secretive enterprise whose innermost workings are the cause of much speculation, and often bitterness, within the industry.

Since Hallmark is privately-owned, with 75 percent of its stock in the hands

of its founders, the Hall family, even its size is a matter of debate. Industry observers estimate sales at \$700 million a year, of which over \$350 million comes from card sales. (The remaining revenues are generated by a wide array of complementary items such as gift wrapping, bath products and costume jewelry, lines into which Hallmark has branched in recent years as greeting card sales have tapered off.)

The company's sales performance reflects the huge resources it has to draw on. It employs 10,000 people worldwide. Its creative group, which works at Hallmark headquarters in Kansas City, Mo., includes 400 artists and designers, who produce 14,000 designs a year. The 10 million cards produced every day at the company's four Midwest plants are printed in 17 languages and distributed in more than 100 countries. To promote its cards, Hallmark spends \$15 million a year on advertising, including, for the first time this year, a heavy dose of national TV advertising.

The real power of the company, though, rests in its distribution network. There are some 6000 Hallmark card shops across the country, and a sales force of 1000 strong supplies company wares to these local outlets.

Although the company itself owns only 20 or so of the shops, all Hallmark retailers must agree to certain terms in return for the right to carry the company's cards. Exactly what those terms are is a closely-guarded secret. Some industry insiders say that merchants must agree to give over 85 percent of their display space to Hallmark cards. Several years ago the Federal Trade Commission investigated the greeting card industry, but after two frustrating years, in which it failed to unearth much evidence, the agency dropped the case.

"The FTC got very little assistance from retailers," says David Cohen, president of Fifth Avenue Cards, Inc., a chain of 50 greeting card shops and a major competitor of Hallmark distributors on the East Coast. "The retailers cry, but they won't put anything into writing, for fear that Hallmark will take their cards away."

Hardly what one would call a "soft touch."